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Surface Transportation Board
Attention: Docket No. EP 711
395 E Street, S.W.
Washington, DC 20423

The Alliance for Chemical Distribution submits the following reply comments in response to the Surface Transportation Board's (STB or "Board") Notice of Proposed Rulemaking (NPRM) regarding **Docket No. EP 711 (Sub-No. 2), Reciprocal Switching for Inadequate Service**, published in the *Federal Register* September 18, 2023.

About ACD

The Alliance for Chemical Distribution (ACD) supports and champions the chemical distribution experts the world depends on to safely, reliably, responsibly, and sustainably move the chemical products essential to our daily lives. ACD's more than 400 chemical distribution industry members are primarily small, multi-generational family-owned businesses. They provide critical chemical products used in medicine and health care, food and agriculture, clean water and sanitation, energy production, electronics, communication, and more to over 750,000 end users.

As leaders of the over \$27 billion chemical distribution industry, ACD member companies have the extensive expertise, commitment to safety and sustainability, and access to a deep well of resources needed to ensure chemicals are moved safely and responsibly when and where they are needed. ACD owners and operators have a personal stake in the health, safety, and security of their employees, companies, and communities. They demonstrate their commitment through strict adherence to the highest standards in quality, safety, sustainability, and performance through compliance with ACD Responsible Distribution™.

The comprehensive Code of Management Practice, a condition of Responsible Distribution, requires each member company to have an active program designed to continuously improve safety and reduce incidents. This dedication, in addition to relationships with employees, involvement in local communities, including participation in Local Emergency Planning Committees, and careful compliance with numerous regulations on the federal, state, and local levels, empowers ACD members to navigate the ever-changing complexities of moving essential chemicals around the nation and the globe.

Moving goods through rail is critical to chemical distribution as it is the safest form of transportation for hazardous materials. The U.S. is reliant on this movement to transport chemicals such as chlorine, among others, which are essential to every industry including public safety, infrastructure, agriculture, and transportation.

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Unfortunately, rail service has significantly deteriorated in recent years; and ACD members have struggled to receive consistent, on-time rail service. This has resulted in delays in the receipt of shipments, cost increases, and a general movement away from rail as a mode of transportation for goods where possible.

As stated in our initial comments on this proposal to the STB, ACD commends the Board for issuing the Reciprocal Switching for Inadequate Service proposal. While there were various suggestions in the initial comments on the proposal, ACD and its members are hopeful for a final rule that provides an effective means for shippers to request a reciprocal switch from the Board when they experience inadequate service that adversely impacts their operations and supply chains.

ACD recognizes that the Association for American Railroads (AAR) and several of the Class I railroads that AAR represents view this proposed rule differently and challenge certain aspects of the proposal or otherwise seek to narrow its scope. ACD acknowledges that AAR and its member railroads make a few compelling points, particularly regarding reciprocal switching proceedings at the Board, which may improve this final rule. However, ACD also believes that several arguments made in the comments submitted by AAR, BNSF Railway Company, Canadian National Railway Company, Canadian Pacific Kansas City, Norfolk Southern Railway Company, and Union Pacific Railroad Company (UP) are either invalid or require additional context. These will be the focus of this reply.

Applicability

One argument posed by AAR and the Class I railroads is that this proposed rule cannot apply to contract traffic. They assert that 49 U.S.C. 10709(b), which prevents the STB from imposing additional duties upon parties engaged in a contract, includes the performance standards and required data collection included in this proposal.

Shippers rely on contracts for reliable pricing from railroads and a significant majority of rail traffic is governed by § 10709 rail contracts. According to a 2016 Government Accountability Office report, 76% of freight shipped under STB jurisdiction is shipped under contracts.¹ This has an even larger impact on ACD members as chemicals are among the commodities most often shipped under contract with the same report finding that 85% of chemicals are shipped under contract.² If the Board cannot consider the adequacy of contract service, its ability to fulfill the very purpose of this rulemaking, i.e. to incentivize Class I railroads to improve their service on a continuing basis which will benefit the network as a whole, will be substantially thwarted. The interpretation of AAR and the Class I railroads as to contracts would severely undermine the effectiveness of this proposed rule, as it would require shippers experiencing inadequate rail service to wait until their contract expires before they can even begin to develop the necessary metrics to prove inadequate service. This would require the shipper to endure inadequate service to the detriment of its own operations and the public interest until the expiration of the contract. Adding insult to injury, the shipper must then pay higher tariff rates while it waits to accumulate service performance data under the required 12-week periods, which is something many shippers cannot afford. Also, in those cases

¹ Government Accountability Office, "Freight Rail Pricing: Contracts Provide Shippers and Railroads Flexibility, but High Rates Concern Some Shippers," <https://www.gao.gov>, GAO, <https://www.gao.gov/assets/gao-17-166.pdf>

² Ibid

where multi-year contracts exist, the inadequate service could linger for quite some time but ultimately be corrected by the time the contract is due to expire or shortly thereafter. If a railroad waits to improve its service until after contract expiration, a shipper would have suffered from extended periods of inadequate service but would ultimately not be successful in petitioning for reciprocal switching. Thus, failure by the Board to evaluate contract performance would so significantly reduce the share of shippers who can benefit from this rulemaking, it would ultimately cause the rule to be largely ineffective in improving rail service nationwide.

Furthermore, as detailed in initial comments submitted by the Coalition of Shippers to this docket, there already exists a precedent for data collection during contracts in both the *Midtec* and *Vista Chemical* decisions where the Interstate Commerce Commission examined evidence that was based on contract service.³

ACD recognizes that the STB is restricted in its ability to regulate contract traffic, however, we believe it does not and should not expand to data collection. Taking this approach would effectively negate any effectiveness of this rule and go against existing precedent. If the Board were to ultimately determine that it is restricted legally from evaluating contract data under 10709(b), then ACD supports the recommendations in the Coalition Associations' Reply Comments to reopen the EP 711(sub no .1) docket and to narrow the proposed rules consistent with those reply comments.

Performance Metrics

In their comments, AAR and the Class I railroads raised various concerns with the performance metrics established in this proposed rule. Their comments called into question the possibility of the proposed metrics disincentivizing traffic growth and capital improvement projects, requested longer periods when analyzing transit time and original estimated time of arrival (OETA), called for qualitative evidence to accompany evidence of metric failures, and requested that the industry spot and pull (ISP) performance metric be removed. ACD disagrees with AAR and the Class I railroads on these issues.

First, the argument that abiding by the transit time metric would hinder a railroad's ability to grow traffic or engage in capital improvement projects is not valid. The proposal currently allows for an increase in transit time of up to 20% to 25%. Any reasonable inadequacy by a railroad should not come close to increasing transit times to this degree. This generous increase in transit time allows railroads to account for things like additional rail traffic, capital investment projects, maintenance, and more. If any traffic growth or capital project would cause the railroads to have delays of more than 20% to 25% over a 12-week period, this would present an unworkable situation for rail customers and a reciprocal switch for inadequate service would be justified.

Also, in their comments, the AAR requests that the STB examine a three-year period instead of a one-year period regarding the transit time performance metric. AAR argues this would reduce the impact of fluctuations on data resulting in a reciprocal switch. ACD disagrees with AAR for reasons

³ *Midtec Paper Corp., et al. v. Chicago and Northwestern Transp. Co. (Use of Terminal Facilities and Reciprocal Switching Agreement)*, 3 I.C.C. 2d 171 (1986) ("Midtec"); *Vista Chemical Co. v. The Atchison, T. & Santa Fe Ry. Co.*, 5 I.C.C. 2d 331 (1989) ("Vista Chemical")

like those raised in the above paragraph. Allowing transit times to be 20% to 25% longer is a mechanism to allow for things such as fluctuations to occur and not trigger a reciprocal switch on their own. True fluctuations such as especially good performance the prior year, an example AAR used in their comments, would not account for a drastic difference in transit time anywhere near 20% to 25%. If typical performance is 20% to 25% worse than what is considered especially good performance, then it is inadequate, and the shipper should be granted a reciprocal switch. Moreover, adopting this longer time period without also reviewing year-over-year changes would require shippers to suffer poor, declining service for up to three years before having the ability to request a reciprocal switch. As ACD advocated in our opening comments, having performance metrics examining one year as well as another longer period such as two or three years is necessary as it would protect shippers from extreme shocks to the transit time after just one year as well as continually poor performance for multiple years. ACD strongly urges the STB to continue reviewing year-over-year transit times in addition to longer two- or three-year periods.

Additionally, Norfolk Southern Railway Company and UP request that the period for the examination of OETA metrics be changed from 12 weeks to quarterly. ACD believes that these changes are significant and unnecessary. A 12-week period is a broad amount of time and any shipper experiencing a success rate in the OETA of their deliveries – **with a 24-hour grace period given to the railroads** – that is not consistent, should be entitled to a reciprocal switch. Also, adopting quarterly reporting includes arbitrary cutoffs, allowing for inadequate service if it is split between two different quarters. For example, at an OETA requirement of 60%, a railroad would be able to have a 12-week period of 40% success split evenly between two quarters and meet the 60% threshold if the remaining seven weeks of each quarter were delivered at a 78% success rate.

Moreover, AAR and the Class I railroads requested the inclusion of qualitative evidence to accompany metrics when proving a reciprocal switch is necessary. While ACD does recognize there can exist instances where a metric may seem to indicate the need for a reciprocal switch when it is not warranted, the proper venue for addressing these issues is when presenting affirmative defenses, not when making the initial claim. ACD worries that requiring qualitative data in addition to metrics is intended to create complex and costly adjudications which will disincentivize shippers from bringing reciprocal switching cases as it would substantially increase the burden of proof needed for a reciprocal switch. Furthermore, in many cases, any qualitative evidence that would prove a reciprocal switch is not necessary would be known by the railroad, not the shipper, again making the affirmative defense the proper venue for this to be raised. Thus, requiring qualitative evidence as the railroads suggest would directly undermine the primary objectives of the Board to ensure that “the application of objective performance standards for adequate rail service, as provided for in part 1145, would promote predictability and efficiency in regulatory proceedings thereunder, thereby reducing unnecessary regulatory costs and ultimately strengthening rail carriers’ incentive to provide adequate service.” NPRM at 9.

Finally, AAR and several Class I railroads also requested that the ISP metric be removed from this rulemaking. They argue that a reciprocal switch would not address future spot and pull performance as this service would still be provided by the same railroad, arguing it should therefore not be included. ACD strongly disagrees with this argument as ISP has been a significant issue for members for years. ACD conducted a survey analyzing 2022 rail performance, finding that 57.5% of respondents experienced last-mile issues (this survey is provided in Appendix A). This is unacceptable and must be addressed. Including ISP in this rulemaking establishes a

consequence for railroads when providing poor ISP service which is desperately needed considering how poor performance has historically been and continues to be. Although ACD recognizes that reciprocal switching may not always cure poor ISP performance because the incumbent carrier must transport the traffic to the interchange, the Board should also evaluate whether to include terminal trackage rights as an additional potential remedy for inadequate ISP service.

Complaint Process

AAR and the Class I railroads also make different requests and recommendations related to the complaint process a shipper must go through when filing a reciprocal switch request. Notably, they request that shippers identify an alternative railroad before filing a request. They also ask the STB to require that the service inadequacy continue to exist during the petition and while the STB considers the request for reciprocal switching. ACD disagrees with both of these requests as they would prolong the process of getting a reciprocal switch prescribed and make the process more difficult for shippers.

First, the need to secure a commitment from an alternative railroad is not necessary. The proposal already requires a shared terminal area between railroads for a reciprocal switch to be prescribed. If another Class I railroad does share the terminal area with the incumbent and the reciprocal switch would be practical and in the public interest (e.g. operationally feasible and would not harm other shippers) under § 11102(c), they would be required to provide service. Adding this additional requirement for shippers would only delay reciprocal switching requests and make them more difficult for shippers to complete.

Secondly, the proposed requirement for a service inadequacy to be actively occurring while a petition is filed, and while the STB considers the request, is unreasonable. Requiring this would allow railroads to avoid a reciprocal switch by improving their service while the petition is underway, thereby only meeting the performance metric(s) after the complaint was filed with the Board. This creates a significant loophole in the process of requesting a reciprocal switch as railroads would be able to effectively avoid a switching prescription by only improving their service for a short period after a shipper has filed its complaint. Moreover, this requirement would require shippers to expeditiously request reciprocal switches. Many shippers are small businesses with many competing daily priorities, and they may not have the bandwidth to request a reciprocal switch until after a period of service inadequacy. This should not prevent the inadequacy from being addressed as the shipper is still required to demonstrate an inadequacy occurring over a 12-week period. Any inadequacy occurring for such a sustained period is unacceptable and warrants a reciprocal switch, even if the inadequacy is cured during the STB proceeding. Otherwise, shippers would likely experience a yo-yo of inadequate service, followed by a short-term fix, that would prevent the shipper from ever obtaining a reciprocal switch. This outcome would be inconsistent with the Board's intent to "provide the certainty that is needed to protect the public interest, as well as the interests of rail customers, inadequate service on a general and sustained basis." NPRM at 5.

Shipper Coalition Comments

Except as otherwise provided herein, ACD strongly supports the comments and reply submitted by the Shipper Coalition comprised of the American Chemistry Council, The Fertilizer Institute, and the National Industrial Transportation League. ACD also represents shippers in this reply and urges the STB to carefully consider the perspectives of shippers as it considers this proposal. Businesses shipping freight via rail serve a vital role in the American economy and the country's well-being. While shippers have experienced deteriorating rail service for years, the STB can dramatically increase rail conditions by addressing their concerns in this rulemaking.

Conclusion

ACD appreciates the opportunity to provide input as the STB moves forward with establishing a system for rail shippers to request a reciprocal switch when experiencing inadequate rail service. ACD strongly supports the intention of this rulemaking and believes it is an important step.

ACD also urges the STB to ensure this proposal is effective. While ACD recognizes the value of listening to all stakeholders and addressing every concern to the extent possible, we worry that the requests and recommendations made by AAR and the Class I railroads addressed in this reply would undermine the effectiveness of this rule. This rulemaking is an important opportunity for the Board to begin correcting rail service that has been declining for decades. An effective system for reciprocal switching is necessary when considering how crucial rail service is to transporting goods critical to American safety, well-being, and the economy.

ACD commends the Board for addressing the important issue of inadequate rail service and for issuing this proposal as a positive step to improve the situation. We look forward to working with the Board to continue to develop solutions to make critical rail service more dependable. If you have questions or need additional information, please do not hesitate to contact me.

Sincerely,



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Appendix A

MEMORANDUM

To: Lucinda Schofer
From: John Dunham
Date: June 11, 2023
Re: Results from NACD 2022 Railroad Survey

In the spring of 2023, NACD conducted a voluntary survey on members' rail use and issues during the prior year (2022). The survey was conducted by John Dunham & Associates (JDA) on behalf of the Association using online Alchemer software.

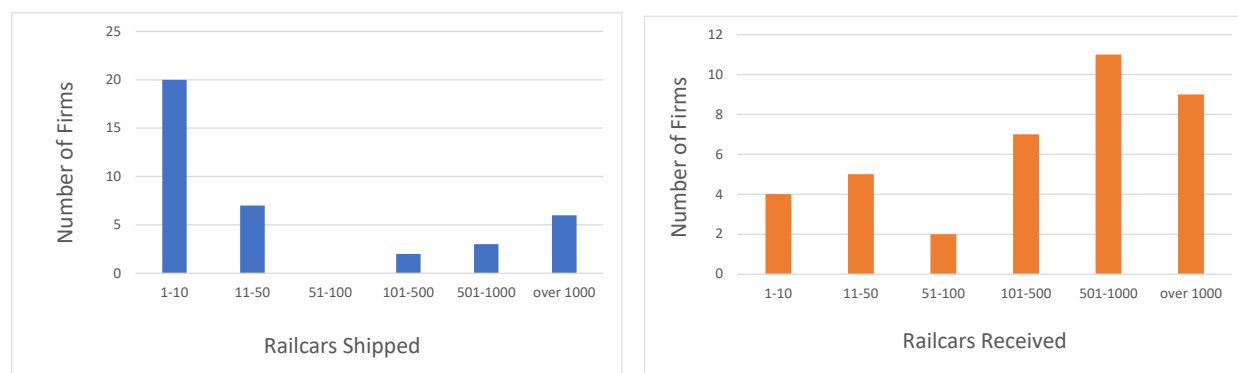
Survey Frame

The survey was sent to the 131 (out of about 240) NACD member companies that have facilities located on, or in close proximity to, a rail line, except for those firms that had previously said that they were not interested in rail service.⁴ Of these, 51 completed, or partially completed the survey, a response rate of 38.9 percent. This means that the sample has a statistically significant confidence interval of +/- 7.25 percent.⁵

Rail Use

Of the 51 respondents that completed or partially completed the survey, 92.0 percent (47 firms) used rail for either delivering or receiving products. The remaining firms did not indicate whether or not they were willing to utilize rail.

Figure 1
Firms by Number of Shipments/Receipts



A total of 18 of the respondents who stated they used rail in 2022 reported on the number of shipments they had. These firms shipped a total of 44,307 loaded rail cars, an average of 2,462

⁴ NACD membership includes approximately 235 companies, the majority of which are not within proximity to a rail line. Qualifying proximity is defined as within one mile of a mapped railroad. Operational status of railroad lines was not verified, so proximity to inactive lines would have qualified for a survey as well.

⁵ At a 90 percent level of statistical significance.

loaded cars per firm. As Figure 1 shows, the data are very skewed, and 52.6 percent of the firms shipped less than 11 rail cars of products in 2022. The median number of cars shipped was 94.5.

A larger number of respondents (35) reported receiving product by rail. All but two of the firms that reported data received products. These 35 firms received 44,421 rail cars in 2022, an average of 1,269 cars per firm. As with shipments, the data were skewed, and the median number of cars received was just 135. Figure 1 shows how the data for shipments and receipts skew.

Rail Service

One of the main reasons for conducting this research is to determine if chemical distribution facilities are being well served by rail carriers, particularly when most service is not subject to competition from other railroads.

Of the 47 respondents using rail, 36 reported on whether or not they had access to service by more than one railroad. Of those, half reported that they only shipped and received out of facilities with a single rail carrier. Another 15 firms had multiple railroads serving at least some of their facilities, while just 3 reported that they shipped only out of facilities with multiple carriers. While firms might have had access to multiple carriers, it was likely that most of the competition came from either switching or regional railroads. In sum, 93.8 percent of the shipments and 91.4 percent of products received were handled through facilities with only one carrier.

Additional survey questions were related to specific service-related issues. In each case, the respondents were asked to respond either yes or no.

Across the board, a sizable number of responding companies did have some level of service issues. Nearly 49.0 percent of the 41 firms responding to a question regarding capacity issues stated that they were having some. Of these, roughly two-thirds (14 firms) responded that they would increase rail receipts or deliveries if additional capacity were available. A total of 57.5 percent of respondents reported that “last mile” service-related issues were a problem during 2022. Of these, over one-third did not receive a response from the local trainmaster.

Table 1
Service-Related Issues

	Capacity Issues	Last Mile Issues	Local Trainmaster Responded
Yes	48.8%	57.5%	63.6%
No	51.2%	42.5%	36.4%
Responses	41	40	22

* Percent of total responses for each question

The data suggest that few respondents are either aware of the services offered by the Surface Transportation Board’s Rail Customer and Public Assistance team, or do not believe that the government can assist them. Despite the reported problems with rail service, only 9 (26.5 percent) of the respondents answering the question requested assistance from the STB during 2022.

Table 2

Requests for Assistance from the STB

	Request Assistance (Firms)		Requests (Billing)	Requests (Service)
Yes	9	26.5%	21	19
No	25	73.5%		
Total	34	100.0%	21	19

* Percent of total responses for each question

These data show that billing-related issues were the predominant reason for requesting assistance.

The lack of requests for assistance does not mean that chemical distributors are not having issues with rail carriers. When asked if there were *any issues in which the Surface Transportation Board and/or FRA may be of assistance*, respondents suggested that issues such as unreasonable demurrage fees, administrative rules (like those related to flammable materials), and cargo embargoes are problems that they would like to see assistance with.

Despite continuing billing and service problems, 70.0 percent of the chemical distributors responding that they currently use rail would increase their usage were capacity available.

Pricing and Charges

Chemical distributors are also seeing rail freight rates rise. Of the 42 companies responding to the question, 12 (28.6 percent) experienced a rate increase during 2022. Interestingly, 5 firms (11.9 percent) reported a decrease. The average rate increase was 6.8 percent, while the average decrease was 4.6 percent.

Table 3
Rate Changes Reported

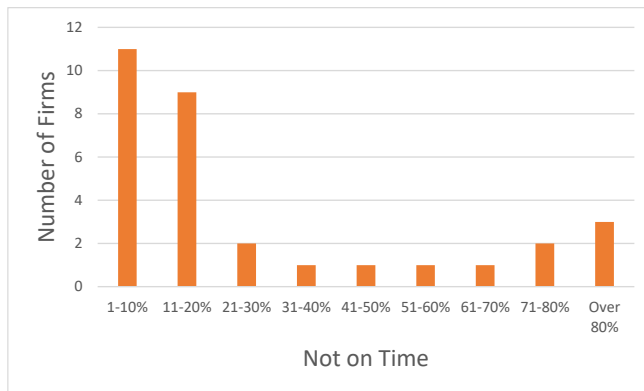
	Rate Change		Increase		Decrease	
		Percent		Percent		Percent
Yes	17	40.5%	12	28.6%	5	11.9%
No	25	59.5%	30	71.4%	37	88.1%
Total	42	100.0%	42	100.0%	42	100.0%

* Percent of total responses for each question

Only 2 of the 12 firms that reported a rate increase stated that they did not receive a 30-day notice of the increase.

Of these rate increases, 5 occurred for companies with facilities served only by a monopoly carrier, while two occurred for companies with only competitive service. Interestingly, on a weighted average basis, the increase in facilities with monopoly carriers averaged 5.6 percent, while those with multiple carriers averaged 9.4 percent. This differs from prior surveys. For firms experiencing a rate decrease, the size of the reduction was 2.0 percent (again on a weighted average basis) for facilities with monopoly carriers, and 15.0 percent for those with competitive service. About 35.2 percent of the shipments/receipts made by chemical distributors during 2022 were subject to a rate increase, while only 1.0 percent saw a decrease in rates.

Figure 2
Firms by Percent of Late Shipments



These rate increases are occurring despite the potential that poor service is costing chemical distributors in terms of time and money, with over 78.7 percent of firms reporting that they use rail stating that they have experienced delays. The average percentage of pickups that were “not on time” in 2022 was 24.1 percent, with a median of 15.0 percent. Only 4 of the 47 firms that reported using rail were able to calculate losses due to carrier delays, and the data were skewed. They are also well below figures reported in other surveys, suggesting that they are not sufficient to draw conclusions as to the cost of the delays experienced.

Facilities with competitive service experienced significant delays, though better than those with access to only one rail carrier. On a weighted average basis, 49.8 percent of the cargo moving through competitive facilities experienced some form of delay. This was 63.1 percent for monopoly facilities (which handle the bulk of respondent cargo).

Distributors also experienced other charges from carriers, often ones that were not justified. According to the survey, about half of respondents received wrongful demurrage charges. A total of 146 of these charges were reported by survey respondents. The median charge was about \$1,600. Of those disputing the charges, about two-thirds were successful.

Table 4
Wrongful Demurrage Charges

Wrongful Demurrage Charge			Number of Charges		On-Time Delivery		Successful Dispute	
	Percent		Percent		Percent		Percent	
Yes	20	50.0%	146	100.0%	8	44.4%	13	65.0%
No	20	50.0%	0	0.0%	10	55.6%	7	35.0%
Total	40	100.0%	146	100.0%	18	100.0%	20	100.0%

* Percent of total responses for each question

Respondents were also asked about how they were dealing with the current shipping environment. While the major problems of the post-COVID period have lessened, based on the survey responses, there are still significant problems plaguing the transportation sector.

When asked if distribution channels have led to either stockouts or expedites for customers facing inventory problems, nearly half of the firms responding (43.8 percent) stated that these conditions persisted. On a positive front, the decline in capacity issues at the West Coast ports has helped to

improve the transfer from marine to overland freight. Only 8 firms (less than 25 percent of those responding to the question) reported problems at the port.

On the other hand, nearly two-thirds of the firms responding to the question suggested that they were having issues with the availability of trucking services. This reflects the ongoing problem of finding qualified drivers in the trucking sector of the economy,

Table 5
Other Transportation Related Issues

	Stockouts	Expedites	Marine Transfer	Trucking
Yes	14	14	8	23
No	18	18	25	11
Total	32	32	33	34
Yes Pct	43.8%	43.8%	24.2%	67.6%

* Percent of total responses for each question

When asked to comment specifically about rail service, companies reported that embargos and restrictions on capacity, slowdowns, and service cuts resulting from the potential for a strike, track and bridge maintenance, as well as generalized equipment shortages and delays were all problems in 2022. On the positive side, several companies reported that they had no problems with rail shipments, and one even praised its carrier.

Summary and Analysis

Based on the survey responses, it does appear that access to rail service is an important matter for chemical distributors. However, 22 of the 47 firms that responded stated they are using rail served by a single monopoly rail carrier.

While economic theory would suggest that the monopoly service would lead to significant costs and problems, the survey showed that the results were more nuanced. In fact, prices for firms shipping from facilities with monopoly services actually rose at a slower rate in 2022 than for those shipping from facilities with competitive service. In addition, across a broad range of service issues, companies reporting that they were subject to a rail monopoly actually reported a lower level of problems on average. For both capacity issues and last mile issues, a lower percentage of responding firms with monopoly service reported problems than the average for the survey. In terms of wrongful demurrage charges, the split was 50/50.

A higher number of companies with facilities that have access to only one rail carrier did report more rate increases – 77.8 percent of these firms against 28.6 percent of reporting firms with at least one facility with competitive service. On the other hand, increases from monopoly firms were just a third as large as the average across all companies. So, while monopolies do appear to have pricing power, they seem to understand that their customers have alternative modes of transportation available.

Interestingly, even though the firms subject to monopoly rail service seemed to experience improvements in 2022, only 22.2 percent would increase their use of rail if capacity were available. This is substantially lower than the average of 70.0 percent of all firms reporting that they would increase their usage if capacity were available.

Table 6 shows how these figures have changed over the last periods surveyed.

Table 6
Comparison of Facilities with Monopoly Service to Industry Average

2022 Full Year

	Capacity Issues	Last Mile Issues	Rate Increase	Percent Increase	Wrongfull Demurrage	Increase Service
Monopoly	33.3%	44.4%	77.8%	0.6%	50.0%	22.2%
Average	48.8%	57.5%	28.6%	1.9%	50.0%	70.0%

2021 First Half

	Capacity Issues	Last Mile Issues	Backtracking	Rate Increase	Percent Increase	Demurrage Chg	Would Increase Service
Monopoly	59.1%	45.5%	9.1%	36.4%	9.8%	13.6%	50.0%
Average	52.5%	45.0%	20.5%	27.7%	8.2%	45.0%	57.5%

2020 Second Half

	Capacity Issues	Last Mile Issues	Backtracking	Rate Increase	Percent Increase	Demurrage Chg	Would Increase Service
Monopoly	43.5%	60.9%	13.0%	17.4%	22.0%	0.0%	43.5%
Average	40.0%	55.6%	20.0%	21.8%	13.3%	37.8%	51.1%

2020 First Half

	Capacity Issues	Last Mile Issues	Backtracking	Rate Increase	Percent Increase	Demurrage Chg	Would Increase Service
Monopoly	50.0%	63.6%	18.2%	40.9%	16.9%	59.1%	81.8%
Average	28.1%	42.3%	13.7%	23.5%	11.8%	45.3%	62.3%

2019 Second Half

	Capacity Issues	Last Mile Issues	Backtracking	Rate Increase	Percent Increase	Demurrage Chg	Would Increase Service
Monopoly	35.5%	45.2%	12.9%	29.0%	16.9%	41.9%	58.1%
Average	32.1%	42.3%	13.7%	35.2%	11.8%	45.3%	62.3%

2019 First Half

	Capacity Issues	Last Mile Issues	Backtracking	Rate Increase	Percent Increase	Demurrage Chg	Would Increase Service
Monopoly	35.7%	64.7%	60.0%	57.1%	14.8%	57.1%	53.8%
Average	53.8%	65.4%	65.4%	26.9%	10.1%	53.8%	50.0%

2018 Full Year

	Capacity Issues	Last Mile Issues	Backtracking	Rate Increase	Percent Increase	Demurrage Chg	Would Increase Service
Monopoly	37.5%	41.2%	25.0%	37.5%	8.8%	25.0%	50.0%
Average	44.7%	44.7%	28.9%	52.6%	13.4%	44.7%	50.0%

Chemical distributors continue to report capacity constraints, a significant number of late deliveries/shipments, and last-mile issues in 2022. On the bright side, monopoly carriers do seem to be performing better than in previous periods.