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May 1, 2019

Via E-filing

The Honorable Ann D. Begeman, Chairman
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Patrick Fuchs, Vice Chairman
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

The Honorable Martin Oberman
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: STB Docket No. EP 754
Oversight Hearing on Demurrage and Accessorial Charges

Dear Chairman Begeman, Vice Chairman Fuchs and Board Member Oberman:

Union Pacific Railroad Company hereby submits the data required by the Board in its April 8, 2019 order. We hope that this submission facilitates the Board's review of demurrage and accessorial practices in advance of the May 22, 2019 hearing.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Rhonda S. Ferguson".

Rhonda S. Ferguson

Enclosures

cc: Cynthia T. Brown
Chief of the Section of Administration
Office of Proceedings, Surface Transportation Board

Carrier	Tariff	Item No.	Item Name	Version No.	Version Effective Date	Version Notification Date	Item Expiration Date (if applicable)	Change	Reason for Change
UP	UP 6004	110	NON-ACCIDENT RELEASE (NAR) OF HAZARDOUS MATERIALS	5	3/15/2019	2/21/2019 8:20		Increased non-accident release (NAR) of hazardous materials charge from \$3,000 to \$6,000.	Drive behavioral changes to reduce NARs.
UP	UP 6004	120	DEPARTMENT OF TRANSPORTATION (DOT) EXCEPTIONS	5	3/15/2019	2/21/2019 8:27		Increased DOT exceptions charge from \$500 to \$1,000.	Drive behavioral changes to reduce DOT exceptions.
UP	UP 6004	5070	WEIGHING AND REWEIGHING - STANDARD CHARGES	18	11/1/2017	11/21/2017 10:26		Standardized charges for weighing.	Standardized and simplified weighing charges.
UP	UP 6004	5071	WEIGHING AND REWEIGHING CHARGES - INDUSTRIAL PRODUCT'S EXCEPTIONS	8	10/1/2017	9/29/2017 13:59	10/31/2017 23:59	Item expired; Standardized charges for weighing in item 5070.	Standardized and simplified weighing charges.
UP	UP 6004	5072	WEIGHING AND REWEIGHING CHARGES - AG EXCEPTIONS	14	10/1/2017	9/29/2017 13:59	10/31/2017 23:59	Item expired; Standardized charges for weighing in item 5070.	Standardized and simplified weighing charges.
UP	UP 6004	6011	APPLICABLE ONLY TO LISTED AG PRODUCTS	6	10/1/2017	9/29/2017 13:59	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6040	CHANGING DIVERSION/RECONSIGNMENT ORDER	3	10/1/2017	9/29/2017 14:00	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6049	DIVERSION I RECONSIGNMENT OF MECHANICAL EQUIPMENT	4	10/1/2017	9/29/2017 14:00	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6050	DIVERSION/RECONSIGNMENT - STANDARD CHARGES	28	12/1/2017	11/8/2017 8:46		Standardized charges for diversions.	Standardized and simplified diversion charges.
UP	UP 6004	6052	RULE 1-A (GRAIN, GRAIN PRODUCT, ETC.)	3	10/1/2017	9/29/2017 14:00	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6053	DIVERSION/RECONSIGNMENT AGRICULTURAL PRODUCTS	18	10/1/2017	9/29/2017 14:00	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6055	FUMIGATION (GRAIN, GRAIN PRODUCTS)	7	10/1/2017	9/29/2017 14:00	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6056	HAZARDOUS DIVERSION I DEMURRAGE	9	1/1/2017	11/8/2017 8:44	11/30/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6057	DISPOSITION ORDER AFTER INSPECTION	3	10/1/2017	9/29/2017 14:00	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6058	DIVERSION I RECONSIGNMENT FERTILIZER	10	10/1/2017	9/29/2017 14:01	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6059	DIVERSION I RECONSIGNMENTS CRUDE OIL UNIT TRAINS	11	10/1/2017	9/29/2017 14:01	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	6061	DIVERSION I RECONSIGNMENT SODA ASH	8	10/1/2017	9/29/2017 14:01	10/31/2017 23:59	Item expired; Standardized charges for diversions in item 6050.	Standardized and simplified diversion charges.
UP	UP 6004	8000	OVERLOADED CARS	15	6/1/2018	4/27/2018 15:16		Established different tiers of charges.	Drive behavioral changes to reduce overloaded cars.
UP	UP 6004	8530	EAGLE PASS I LAREDO PROCESSING TIME ALLOWANCE FOR EXPORT TO MEXICO	19	4/1/2019	2/28/2019 22:48		Reduced processing free time for Texas, Louisiana, and Arkansas origins from 48 hours to 24 hours, removed free time exclusions for Sundays and holidays, removed tiered Document Delay charges, and standardized Document Delay charges across Mexican gateways.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9000	STANDARD SWITCHING CHARGES	3	8/1/2018	6/29/2018 15:22		Established new, standardized switch charges for all standard locations.	Standardized and simplified switching charges.
UP	UP 6004	9005	NON-STANDARD SWITCHING	10	8/1/2018	6/29/2018 15:58		Established new, standardized switch charges for all non-standard locations.	Standardized and simplified switching charges.
UP	UP 6004	9055	NOT PREPARED FOR SERVICE	6	1/1/2019	11/29/2018 9:34		Established new, standardized "Not Prepared for Service" tariff item.	Improve utilization of rail assets and drive reliability and efficiency.

Carrier	Tariff	Item No.	Item Name	Version No.	Version Effective Date	Version Notification Date	Item Expiration Date (if applicable)	Change	Reason for Change
UP	UP 6004	9057	INACCESSIBLE CARS RELEASED BY CUSTOMER AS EMPTY	3	1/1/2015	11/29/2018 9:36	12/31/2018 23:59	Item expired; Consolidated under new Not Prepared for Service tariff item 9055.	Standardized and simplified not prepared for service charges.
UP	UP 6004	9065	MISCELLANEOUS SWITCHING CHARGES	16	4/1/2015	7/6/2018 15:56	7/31/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9070	MISCELLANEOUS SWITCHING - EMPTY/PARTLY LOADED	3	11/11/2011	2/28/2019 15:53	3/31/2019 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9100	CEDAR RAPIDS, IA - EMPTY RAILWAY CARS	9	2/15/2014	4/2/2018 10:06	4/30/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9105	CEDAR RAPIDS, IA	10	6/1/2018	6/1/2018 12:52	6/30/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9135	FREEPORT, TX	9	2/15/2014	6/29/2018 15:46	7/31/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9155	HOUSTON AND BAYPORT. TX	10	2/15/2014	6/29/2018 15:50	7/31/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9165	KANSAS CITY, MO & KS - GRAIN & GRAIN PRODUCTS	7	10/1/2017	9/29/2017 14:03	10/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9200	MONROE, LA	8	6/1/2018	6/1/2018 12:36	6/30/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9210	MT VERNON, IL	9	2/15/2014	12/6/2017 8:51	12/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9215	NEW ORLEANS, LA	8	10/1/2017	9/29/2017 14:03	10/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9240	PHOENIX. AZ	9	10/1/2017	9/29/2017 14:03	10/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9247	RIVERGATE, OR	6	1/1/2009	7/6/2018 16:01	7/31/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9265	ST JOSEPH. MO	6	1/1/2009	10/5/2017 9:10	10/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9270	ST LOUIS, MO	10	5/30/2017	5/30/2017 9:11	6/20/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9275	ST LOUIS, MO	8	5/30/2017	5/30/2017 9:13	6/20/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9285	ST. LOUIS, MO - SOLUTIA COMPANY - SWITCHING	8	4/1/2017	3/10/2017 7:59	4/1/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9305	TUCSON, AZ	8	10/1/2017	9/29/2017 14:04	10/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9340	WEST LAKE CHARLES, LA	10	6/1/2018	6/1/2018 11:01	6/30/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9345	WEST SACRAMENTO, CA	4	1/1/2009	4/2/2018 10:09	4/30/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9350	WICHITA, KS	9	11/1/2014	4/2/2018 10:12	4/30/2018 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9560	INTRA-PLANT SWITCHING-CHIT	9	1/1/2012	12/8/2017 9:57	12/31/2017 23:59	Item expired; Standardized charges for switching under item 9000.	Standardized and simplified switching charges.
UP	UP 6004	9605	DEBIT AND CREDIT VALUES	5	4/1/2016	3/1/2016 7:10		Differentiated debit and credit values based on the location of the rail car and the assets/capacity being consumed; debit values for railroad controlled cars in the serving area increased from \$100 to \$200 and capacity and order-in failure credits for railroad controlled cars in the serving area likewise increased from \$100 to \$200.	Improve utilization of rail assets and drive reliability and efficiency.

Carrier	Tariff	Item No.	Item Name	Version No.	Version Effective Date	Version Notification Date	Item Expiration Date (if applicable)	Change	Reason for Change
UP	UP 6004	9607	UNIT TRAIN LAY DOWN CHARGES - VARIOUS STCCS	7	11/1/2014	12/5/2018 8:04	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9609	WIND TRAIN LAYDOWN CHARGES	3	11/7/2014	11/29/2018 11:05	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9611	AUTOMOTIVE TRAIN DETENTION CHARGES	1	1/1/2019	11/29/2018 9:38		Established new accessorial charge for OEM's that exceed bay allocation, leading to congestion en route or in the serving area.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9613	UNIT TRAIN SERVICE TERMS	1	1/1/2019	11/29/2018 9:41		Established new, standardized unit train service terms, including forecasting, asset utilization, deadhead moves, additional crews, and lay down charges.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9620	DEBIT/CREDIT EXPLANATION	7	1/1/2019	11/29/2018 9:44		Reduced arrival credits for demurrage from 2 to 1 credit.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9622.01	UNIT TRAIN LAY DOWN CHARGES - GRAIN PRODUCTS - SYSTEM EQUIPMENT	1	7/1/2016	5/31/2016 14:04		Established new tariff item for laydowns of grain trains.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9622.01	UNIT TRAIN LAY DOWN CHARGES - GRAIN PRODUCTS - SYSTEM EQUIPMENT	4	8/22/2017	11/29/2018 11:11	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9622.02	UNIT TRAIN LAY DOWN CHARGES - GRAIN PRODUCTS- PRIVATE EQUIPMENT	1	7/1/2016	5/31/2016 14:05		Established new tariff item for laydowns of grain trains.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9622.02	UNIT TRAIN LAY DOWN CHARGES - GRAIN PRODUCTS- PRIVATE EQUIPMENT	3	8/22/2017	11/29/2018 11:16	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9623	UNION PACIFIC CAR FORECASTING SYSTEM UNIT TRAIN CANCELLATION CHARGES	3	1/1/2015	11/29/2018 10:44	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9624	LOADED SODA ASH UNIT TRAIN LAY DOWN CHARGE	4	1/1/2018	10/18/2017 14:38		Increased lay down charges.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9624	LOADED SODA ASH UNIT TRAIN LAY DOWN CHARGE	5	1/1/2018	11/29/2018 12:55	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9628	EMPTY LAY DOWN CHARGE FOR EMPTY SODA ASH TRAINS	1	2/15/2016	1/15/2016 11:15		Established new item to cover lay down charges for empty soda ash trains.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9628	EMPTY LAY DOWN CHARGE FOR EMPTY SODA ASH TRAINS	3	1/1/2018	10/18/2017 14:36		Increased lay down charges.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9628	EMPTY LAY DOWN CHARGE FOR EMPTY SODA ASH TRAINS	4	1/1/2018	11/29/2018 13:02	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9629	UNIT TRAIN LAYDOWN CHARGES (PETROLEUM, FERTILIZER. SULPHUR)	1	1/1/2017	12/9/2016 10:19		Established new tariff item for lay down charges.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9629	UNIT TRAIN LAYDOWN CHARGES (PETROLEUM, FERTILIZER. SULPHUR)	4	1/1/2017	11/29/2018 13:07	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6004	9630	DEBIT & CREDIT VALVES FOR MECHANICALLY REFRIGERATED CARS REFRIGERATED CARS	9	4/1/2016	3/1/2016 7:10		Differentiated debit and credit values based on the location of the mechanically refrigerated rail car (reefers) and the assets/capacity being consumed; debit values for UP reefers in the serving area increased from \$200 to \$300 and capacity and order-in failure credits for UP reefers in the serving area likewise increased from \$200 to \$300.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9630	DEBIT & CREDIT VALVES FOR MECHANICALLY REFRIGERATED CARS REFRIGERATED CARS	10	10/1/2017	8/21/2017 10:45		Increased debit and credit values for mechanically refrigerated rail cars (reefers) by \$50.	Improve utilization of rail assets and drive reliability and efficiency.

Carrier	Tariff	Item No.	Item Name	Version No.	Version Effective Date	Version Notification Date	Item Expiration Date (if applicable)	Change	Reason for Change
UP	UP 6004	9890	PRIVATE EMPTY CAR STORAGE (PECS)	19	4/1/2016	3/1/2016 7:11		Increased PECS debit and credit values from \$70 to \$100.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6004	9890	PRIVATE EMPTY CAR STORAGE (PECS)	24	1/1/2019	11/29/2018 9:46		Increased PECS debit and credit values from \$100 to \$140.	Improve utilization of rail assets and drive reliability and efficiency.
UP	UP 6602	390	COAL UNLOADING	10	12/1/2018	11/29/2018 9:51	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6603	390	COAL UNLOADING	11	12/1/2018	11/29/2018 9:49	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UP 6605	390	COAL UNLOADING	11	12/1/2018	11/29/2018 9:53	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	UPMPS 3	730	REFRIGERATION EXTENDED USAGE	6	10/1/2017	8/21/2017 14:21		Increased extended use charges for mechanically refrigerated rail cars (reefers).	Improve utilization of rail assets and drive reliability and efficiency.
UP	UPRR 14	50	ROCK - UNIT TRAIN DEMURRAGE	18	12/1/2018	11/29/2018 10:37	12/31/2018 23:59	Item expired; Consolidated into new unit train tariff item 9613.	Standardized and simplified unit train service terms.
UP	MITA 2	510	GENERAL LOADING REQUIREMENTS	14	5/1/2018	4/10/2018 9:04		Established \$3,000 charge for intermodal load shifts when UP must take corrective action to address improper blocking and bracing of the cargo in the intermodal container.	Drive behavioral changes to reduce intermodal load shifts.
UP	MITA 2	520	PROHIBITED & RESTRICTED ARTICLES	34	10/18/2018	10/18/2018 14:54		Increased charges for tendering restricted or prohibited articles in intermodal containers.	Drive behavioral changes to reduce tendering of restricted or prohibited articles in intermodal containers.
UP	MITA 2	530	HAZARDOUS MATERIAL SHIPMENTS	5	1/1/2018	12/6/2017 9:15		Established non-accident release (NAR) charge for hazardous materials tendered in intermodal containers.	Drive behavioral changes to reduce NARs.
UP	MITA 2	810	STORAGE FREE TIME AND CHARGES	49	6/1/2016	4/28/2016 16:04		Amended domestic intermodal free time for ramp storage at constrained intermodal ramps.	Improve utilization of rail assets and drive reliability and efficiency.
UP	MITA 2	810	STORAGE FREE TIME AND CHARGES	60	10/1/2016	9/29/2016 8:27		Changed notification time on Fridays to allow for more free time over the weekend at constrained intermodal ramps.	Provided customers more free time over the weekend.
UP	MITA 2	810	STORAGE FREE TIME AND CHARGES	69	1/7/2019	12/4/2018 16:25		Changed free time to 24 hours at Lathrop ramp and removed free time exclusion for Sundays.	Improve utilization of rail assets and drive reliability and efficiency.
UP	MITA 2	810	STORAGE FREE TIME AND CHARGES	70	4/1/2019	3/13/2019 15:47		Changed free time for domestic intermodal ramps to 24 hours and removed free time exclusion for Sundays.	Improve utilization of rail assets and drive reliability and efficiency.
UP	MITA 2	811	INTERNATIONAL INTERMODAL STORAGE FREE TIME & CHARGES	1	6/1/2016	4/28/2016 16:06		Established separate ramp storage tariff for international intermodal.	Improve utilization of rail assets and drive reliability and efficiency.
UP	MITA 2	811	INTERNATIONAL INTERMODAL STORAGE FREE TIME & CHARGES	15	10/1/2016	9/29/2016 8:27		Changed notification time on Fridays to allow for more free time over the weekend at constrained intermodal ramps.	Provided customers more free time over the weekend.
UP	MITA 2	811	INTERNATIONAL INTERMODAL STORAGE FREE TIME & CHARGES	22	1/7/2019	12/4/2018 16:29		Changed free time to 24 hours at Lathrop ramp and removed free time exclusion for Sundays.	Improve utilization of rail assets and drive reliability and efficiency.
UP	MITA 2	811	INTERNATIONAL INTERMODAL STORAGE FREE TIME & CHARGES	23	1/7/2019	1/4/2019 15:20		Reduced storage rates from day 6+ from \$200 to \$100.	Provided relief from chassis shortage.

Carrier	Tariff	Item No.	Item Name	Version No.	Version Effective Date	Version Notification Date	Item Expiration Date (if applicable)	Change	Reason for Change
UP	MITA 2	811	INTERNATIONAL INTERMODAL STORAGE FREE TIME & CHARGES	25	4/1/2019	3/13/2019 15:49		Changed free time for international intermodal ramps to 48 hours and removed free time exclusion for Sundays.	Improve utilization of rail assets and drive reliability and efficiency.
UP	MITA 2	820	FLIP CHARGES	21	10/1/2018	8/30/2018 15:51		Increased flip charge for moving containers from one chassis to another chassis at the customer's request to \$100 at Kansas City.	Improve utilization of rail assets and drive reliability and efficiency.

UNION PACIFIC RAILROAD
Demurrage and Accessorial Charges
(DOLLARS IN THOUSANDS)

2016 Results	1Q	2Q	3Q	4Q	Full Year
<u>Revenue:</u>					
Demurrage	26,460	24,723	29,606	26,331	107,120
Accessorial Charges	19,261	22,158	28,021	26,267	95,708

2017 Results	1Q	2Q	3Q	4Q	Full Year
<u>Revenue:</u>					
Demurrage	26,985	26,173	29,574	31,871	114,603
Accessorial Charges	22,038	20,434	23,024	21,502	86,998

2018 Results	1Q	2Q	3Q	4Q	Full Year
<u>Revenue:</u>					
Demurrage	41,154	35,292	33,527	39,090	149,063
Accessorial Charges	20,379	21,122	22,108	19,688	83,297

2019 Results	1Q	2Q	3Q	4Q	Full Year
<u>Revenue:</u>					
Demurrage	50,512	-	-	-	-
Accessorial Charges	21,058	-	-	-	-

"Demurrage" and "Accessorial Charges" include revenues earned under negotiated confidential contracts.

"Demurrage" includes all such charges as defined in the R-1 Annual Report (49 C.F.R. § 1201, category 106).

"Accessorial Charges" includes the following types of charges:

- Adverse Loading (Tariff UP 6004)
- Diversions & Reconsignments (Tariff UP 6004)
- Empty Cars Ordered but Not Used (Tariff UP 6004)
- Hazardous Non-Accident Releases & DOT Exceptions (Tariff UP 6004)
- Not Prepared for Service (Tariff UP 6004)
- Overloads (Tariff UP 6004)
- Private Empty Car Storage (Tariff UP 6004)
- Processor & Grain Car Allocation (Tariff UP 4052 & 4053)
- Switching (Tariff UP 6004)
- Weighing (Tariff UP 6004)
- Other (e.g., Customs Inspections) (Tariff UP 6004)

UNION PACIFIC – RESPONSES TO BOARD EP-754 DATA REQUEST

Response to Request Number 3

Union Pacific strives to generate accurate bills for services performed. Union Pacific offers multiple avenues for shippers, receivers, and other authorized parties to monitor and provide feedback about the services they are receiving and track the daily status of their demurrage and accessorial invoices.

Union Pacific demurrage charges are managed within the Chargeable Events System (CES) and accessorial charges are managed within the Accessorial Management Application (AMA). Authorized individuals can access both systems at any time of the day to review the state of any demurrage or private empty car storage (PECS) charges they may be accruing. Both CES (for demurrage) and AMA (for PECS) allow users to submit claims for their current monthly activity and submit disputes for prior invoices.

Individuals may also request access to Account on Web (AOW) which is part of Union Pacific's secure customer portal. In addition to being able to review and pay invoices in AOW, users can dispute bills and review responses submitted by a Union Pacific representative. Currently Union Pacific has over 15,000 users on AOW. In 2018, 94% of accessorial invoices and 97% of demurrage invoices were issued electronically.

Shippers, receivers, and other parties also have the option to email Union Pacific to submit a dispute without needing any additional access to Union Pacific systems.

Finally, Union Pacific has agreed to arbitrate contested demurrage and accessorial charges using a number of commodity or mode-specific rules (e.g., the National Grain and Feed Association's Rail Arbitration Rules, the Association of American Railroads' Interchange Rules) as well as the Surface Transportation Board's arbitration program at 49 C.F.R. Part 1108.

Since January 1, 2016, an average of 8% of accessorial invoices and 2% of demurrage invoices were informally contested using Union Pacific's processes. Approximately 5% (accessorial) and 4% (demurrage) of the total invoice amount of the contested accessorial invoices were adjusted in agreement with the customer's dispute.

Response to Request Number 4

Demurrage

Union Pacific calculates debits and credits based on available track capacity at the customer's facility solely for the loading and unloading of rail cars and daily car inventories CES calculates the daily demurrage charge as debits less total credits multiplied by the associated rate. Customers are issued bills on a monthly basis for the prior calendar month's activity.

Effective April 1, 2016, the daily debit rate applied to each car was differentiated based on the location of the rail car (Union Pacific serving area versus customer facility) in order to reduce serving area dwell.

The number of debits and credits per car remained unchanged. The tariff differentiated the daily debit rate for cars dwelling on Union Pacific track by increasing the debit rate \$100 per car. For railroad controlled cars, the effective rates became \$200 per day while the car is in the serving area and \$100 per day while it is at the customer facility. For private cars, the rates became \$100 per day while in the serving area and remained \$0 while at the customer facility. The capacity and order-in failure credit values were adjusted in the tariff to match this change. Additionally, the daily rate applied to each car for private empty car storage increased from \$70 to \$100.

Effective January 1, 2019, the number of arrival credits granted per car was reduced from two to one, essentially reducing unloading free time from 48 to 24 hours. Additionally, the daily rate applied to each car for private empty car storage increased from \$100 to \$140.

Customers served by Union Pacific are categorized as one of the three customer types; Spot-on-Arrival, Order-In, or Order-X. A Spot-on-Arrival customer is a customer whose rail cars may be placed without placement instructions. An Order-In customer is a customer whose rail cars are not placed for loading or unloading at their facility until the customer has given placement instructions. An Order-X customer is similar to an Order-In customer but rather than ordering in specific cars, customers request cars by type and/or commodity.

Unloading

A debit is a period of 24 hours or fraction thereof commencing from the first 12:00 midnight after railroad marked, railroad controlled or private cars, and excepting assigned cars, enter the serving area and the railroad marked or railroad controlled cars are actually placed. One (1) debit is assessed per rail car.

Arrival credits are issued when a loaded rail car enters the serving area. One (1) credit is issued for each loaded rail car arriving in the serving area within the prior 24 hours.

Capacity credits are issued when the customer has available capacity. Two (2) credits are issued for each loaded rail car in the serving area up to the customer's maximum available capacity.

Placement credits are issued when Union Pacific delivers an alternate car than what was ordered or fails to deliver a car.

Order X credits are issued when an Order X customer orders in a quantity of cars and the railroad fails to deliver the requested order. Two (2) credits will be issued for each quantity ordered and not actually placed.

Refused credits are issued when a loaded railroad marked or railroad controlled car is refused for any valid reason, other than freight damage claims. One (1) credit per refused car will be issued upon refusal notification to the railroad.

Loading

Debits are issued for the lesser of the loading commitment or the number of chargeable cars.

Billed credits are issued for each rail car released with proper forwarding directions, or other disposition. One (1) credit is issued for each car released with the proper billing information provided to the railroad.

Supply credits are issued when the loading commitment (month-to-date cars wanted minus month-to-date car releases) exceeds the number of empty cars actually placed. Supply credits are limited by the customer's available capacity.

Refused credits are issued when an empty railroad marked or railroad controlled car is refused for any valid reason, other than surplus. One (1) credit per refused car will be issued upon refusal notification to the railroad. If the customer refuses railroad marked or railroad controlled cars as surplus cars, no refusal credits will apply.

Private Empty Car Storage

PECS charges are calculated as total debits less total credits multiplied by the storage fee. AMA calculates the charges for all net chargeable storage days (total debits less credits) for all empty private equipment. Receivers of empty rail cars are issued bills on a monthly basis for the prior calendar month's activity.

Debits are issued to the receiver location of the empty railcar. One (1) debit is assessed for every full or partial day that a private empty car is in hold status on the Union Pacific network, commencing on the first 12:00 a.m. after the equipment has been placed in hold status. Debits are not assessed for private empty equipment on private track.

Actual placement credits are issued for each empty rail car that is actually placed at destination industry. One (1) credit will be issued for each private empty rail car on the day it is actually placed.

Placement credits are issued if Union Pacific does not deliver a car, or delivers an alternative car than what was ordered. Two (2) credits per rail car will be issued for each rail car requested but not actually placed.

Capacity credits are issued when a customer has available capacity and Union Pacific does not bring in a car to fill that capacity. Two (2) credits are issued for each private empty rail car in the serving area up to the customer's maximum available capacity.