

Surface Transportation Board
395 E Street SW
Washington, DC 20423

June 4, 2019

RE: Oversight Hearing held May 22, 2019\related EP-754-0

It is my understanding the STB is accepting testimony regarding the above hearing until Thursday, June 6, 2019. I would like to add to the customers' input. I am a third-party demurrage and switching auditor. I have a client who prior to September 2017 had an ongoing contract with CSX allowing for five credits per car released on a monthly basis. This was put in place because CSX a few years ago reduced the crew switching cars for Star Distribution at Jacksonville, FL from seven to five days a week.

CSX reenacted the 8100 tariff for this customer, Star Distribution, voiding their contract. This is what happened as a result.

1)As Star did not generally accumulate demurrage under the contract, they started getting charged demurrage for inbound railroad-controlled cars. Upon investigation, CSX had Star's trackage incorrect. Instead of the correct amount of trackage, CSX was using almost double the trackage, thus when CSX missed switching for the customer, CSX's system did not generate "missed switches." Star has three warehouses where CSX places cars on one track. CSX's system is not sophisticated enough to distinguish what is allowable to unload at which warehouse. As a result the track would not show "full" and charge demurrage not based on type of equipment the track could hold at which warehouse. As an example, there is only one particular spot that can unload one flat car at placement. If the flatcars are bunched (most of the time from another Railroad, not CSX so no bunching can be claimed), the customer receives three flats at one time. Ordering them in one at a time, there is usually some amount of demurrage, but if it falls over their week-end and especially if CSX misses the switch right before Star's week-end, what might only acquire one day's demurrage will generate four days demurrage, with five and six days on the subsequent flat cars constructively placed.

2)CSX does not give the customer any notice they are not going to switch them on the assigned days. Star Distribution has employees scheduled to work based on the five-day schedule CSX had set up. When the customer does not get switched, there is no work for this customer's employees, although the customer must pay his employees. Star Distribution is supposed to be serviced Tuesday through Saturday, by Saturday CSX has run out of crews, engines or both. CSX gives relief to those cars, but neglects to give relief for the subsequent cars constructively placed and affected.

3)CSX notifies Star Distribution of the arrival of their railcars as late as 23:59 daily-even days when CSX does not switch the customer, charging the customer demurrage at 00:01 the following day. As Star Distribution is only allowed one free day for unloading and no relief granted for the days CSX did not switch them, Star Distribution was suddenly hit with \$150 per car, per day, everyday demurrage. CSX could also place railcars as late as 23:59 generating demurrage.

4)Finally, communication is sorely lacking between customer service, CSX's sales force and their crews and customers. CSX put in a system-SHIPCSX and it is expected to generate accurate bills, notices, etc. The customer is expected to monitor their accounts without being notified an invoice has been generated and respond or pay invoices within 15 days including weekends or finance charges are issued.

If the customer disputes the invoice, CSX could take as long as they want to check the dispute. Star Distribution has invoices dating as far back as August 2018 that are still in dispute as of this date. If for some reason the customer does not get a switch, it is the customer's responsibility to put in a problem resolution request, so the customer has proof when CSX generates the demurrage bill that it is inaccurate. The yardmaster, trainmaster or even the crew notifies no-one at customer service who issues these invoices. The crew that services Star Distribution had a derailment mid-April of this year. The customer service agent was unaware of this until I emailed him mid-May after getting an erroneous demurrage invoice. This track is still out. Thus, the customer was unable to unload their railcars per CSX trackage system and the system was generating inaccurate invoices.

CSX will say this system was put in place to improve their services. The truth is very different.

Respectfully,

Deborah J Passarell
Auditor Rail Demurrage and Switching

On behalf of,
David Mattioli, VP
Star Distribution
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STAR DISTRIBUTION DEMURRAGE INVOICES, NOT RESOLVED
 CSX HAS YET TO APPROVE/REPLY TO DISPUTE AS OF 6/5/19

DISPUTED		HOW LONG W/B #		DATE ISSUED	DATE DUE
Open	Detail	UNPAID - P 91 +	74444285	3/3/2019	3/18/2019
Open	Detail	UNPAID - P 91 +	74093909	2/3/2019	2/18/2019
Open	Detail	UNPAID - P 91 +	74093581	2/3/2019	2/18/2019
Open	Detail	UNPAID - P 91 +	73589364	12/21/2018	1/5/2019
Open	Detail	UNPAID - P 31 - 90	74834067	4/3/2019	4/18/2019
Open	Detail	UNPAID - P 31 - 90	74834772	4/3/2019	4/18/2019
Open	Detail	BALANCE D 31 - 90	74834977	4/3/2019	4/18/2019
Open	Detail	UNPAID - P 31 - 90	75207697	5/3/2019	5/18/2019
Open	Detail	UNPAID - P 31 - 90	75207216	5/3/2019	5/18/2019
Open	Detail	UNPAID - P 91 +	71715794	8/3/2018	11/3/2018