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BEFORE THE
SURFACE TRANSPORTATION BOARD

SECTION 5a APPLICATION NO. 46 (SUB-NO.20)
SOUTHERN MOTOR CARRIERS RATE CONFERENCE, INC.

REPLY COMMENTS OF
NATIONAL ELECTRICAL MANUFACTURERS ASSOCIATION
TRANSPORTATION & LOGISTICS COMMITTEE

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I. Introduction

The Global Transportation & Logistics Committee (NEMA) presents these comments on the Application of Southern Motor Carriers Rate Conference ("SMC") for authority under 49 U.S.C. § 13703 to operate nationwide. NEMA believes that there is merit in having one Nationwide Rate Bureau, but before granting such authority certain restrictions should be placed on this application, so that the STB (Surface Transportation Board) can make sure this change is in the public's best interest, and results confirm this to be the case after being operational for some years time. Certainly a 3 year period is better than 5 years. At that time the results to shippers and carriers can be evaluated by STB and any changes made to SMC's Application.

II. Identity and Interest of NEMA

NEMA is the largest trade association in the United States and represents all divisions of the electrical industry. The traffic and logistics committee within NEMA is generally concerned with electric controllers, electronic systems, circuit breakers, switches and low voltage equipment. This Transportation and Logistics Committee has participated on several occasions before the National Classification Committee at the Panel and General Committee hearing levels. Prior to 1980 NEMA participated in Many GRI (General Rate Increases) by several Rate Bureaus. We also expressed concern for granting Anti-Trust Immunity to the NCC. Since STB has set the bar higher for NCC and their relationships with shipper's users conditions have improved.

Since collective ratemaking might be in conflict with the intent of Congress to promote competition, NEMA suggests such anti-trust immunity be only granted under a watchful eye of STB. That is why we suggest such nationwide authority from STB to SMC be limited to 3 years.

III. Procedural Issues

STB has elected to reopen the docket by SMC for nationwide authority originally filed in 1996. This

came out on May 23, 2004 and does not involve any other rate bureaus. The issue of whether SMC's authority should be renewed under 49 USC § 13703 © (2) is not a subject for comments in this proceeding but only whether SMC's current authority should be expanded to permit collective ratemaking nationwide.

NEMA is not supporting any other rate bureau expansion for nationwide authority at this time.

SMC has a class rate tariff in Czar-lite that is widely used by shippers and carriers and could well be the basis for a nationwide standard. Most shippers have their individual contracts and FAK (freight all kinds) ratings with their carrier supplies but to have a standard for national pricing is important to the transportation industry.

Another requirement the STB should require is that SMC continue to adhere to the 20% discount off class rates; this is the level of discounting already adopted by SMC. Also Czar-lite should remain competitive with other class rate tariffs or rating products.

SMC allows shippers to participate in General Rate Committee meetings and while shippers have no vote this is a healthful condition.

IV. Conclusion

Therefore NEMA urges STB to consider favorably SMC's request for nationwide authority subject to the conditions we have outlined. Where anti-trust immunity is concerned the Board should make sure the public interest is served.

Respectfully submitted

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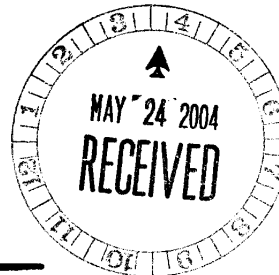
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