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January 30, 2019

VIA E-MAIL

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

Re: Response To December 17, 2018 Letter To Mr. Pat Ottensmeyer

Dear Chairman Begeman:

By letter to Mr. Ottensmeyer dated December 17, 2018, you requested The Kansas City Southern Railway Company ("KCSR") to disclose to the Board KCSR's quarterly revenues from demurrage and accessorial charges, stated separately for 2018 and 2019. You requested the 2018 information by January 21, 2019 and the 2019 data on a quarterly basis by the 15th day of the month following the end of the quarter.

On behalf of KCSR, by letter dated December 27, 2018, I wrote to you requesting minor extensions of the deadlines stated in your December 17th letter. The December 27th letter was a follow up to my communications with OPAGAC Director Lucille Marvin on this subject. Due to the partial government shut-down, I realize that you have not yet had an opportunity to officially respond to my December 27th letter, although I am assuming that KCSR's requests contained within that letter were approved.

Consistent with your December 17th request, as modified by the dates contained within my December 27th letter, KCSR hereby provides the Board with the requested information for 2018 (see attached). KCSR will provide the 2019 data via quarterly submissions on April 30, July 30, October 30, 2019, and January 30, 2020.

As the information request came from you, KCSR is hereby responding directly to you. However, for future quarterly filings, if you would like KCSR to e-file them or to email them to a particular person other than you, please let me know.

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Respectfully submitted,



William A. Mullins
Attorney for The Kansas City Southern Railway
Company

Attachment

cc: Ms. Lucille Marvin
Mr. Pat Ottensmeyer
Mr. Warren Erdman

	Q1 2018 Revenue	Q2 2018 Revenue	Q3 2018 Revenue	Q4 2018 Revenue	Total
	Dollar amount in thousands (rounded to thousands)				
Demurrage ¹	7,673	7,198	6,901	7,532	29,304
Accessorial ²	2,425	2,890	3,478	2,704	11,497
Grand Total					40,801

¹ “This account shall include the revenue from the detention of cars incident to loading, unloading, reconsigning, and stops in transit upon the basis of lawful tariffs for demurrage. This account shall also include the revenue from the detention of trailers and containers used in TOFC/COFC service, incident to loading and unloading, upon the basis of tariff rates. NOTE: This account shall be maintained so as to reflect separately (1) revenue from detention of cars, and (2) revenue from detention of trailers and containers used in TOFC/ COFC service.” 49 CFR §1201, category 106 (2017). See generally KCSR Tariff 6000-F, effective Feb. 28. 2017 and related materials found at <http://www.kcsouthern.com/en-us/customer-resources/guidelines-regulations/demurrage>. Stated revenues may also include revenues for similar charges under contracts which are exempt from the Board’s authority pursuant to 49 USC §10709.

² Accessorial revenue includes charges levied pursuant to terms of KCSR Tariff 8100-E, effective Mar. 1, 2018, found at <http://www.kcsouthern.com/en-us/customer-resources/guidelines-regulations/accessorial-services>, Sections 1 – 10, and under KCSR rules Tariffs 9011 and 9012, found at <http://www.kcsouthern.com/en-us/customer-resources/guidelines-regulations/rules-publication-page>. Stated revenues may also include revenues for similar charges under contracts which are exempt from the Board’s authority pursuant to 49 USC §10709. Amounts stated do not include fuel surcharges, which are considered linehaul revenue for this purpose, and are reported separately to the Board pursuant to its decision in STB Ex Parte No. 661 (Sub-No. 1).