

ORDINANCE NO. 28989

AN ORDINANCE relating to the Department of Public Utilities, Belt Line Division; authorizing the reissuance of Tacoma Municipal Belt Line ("TMBL") 8807 series freight switching tariff and TMBL 6004 series demurrage tariffs, effective January 1, 2025, and a switching tariff supplement, effective January 1, 2026.

WHEREAS the Department of Public Utilities, Municipal Belt Line Division's ("Tacoma Rail") customers consist of local industries and other railroads, primarily BNSF Railway Co. and Union Pacific Railroad, and

WHEREAS Tacoma Rail's switching tariffs define the line haul and miscellaneous switching charges allocated to the movement of railcars, and the tariff rates associated with unit train and other City interchanged line haul traffic were last updated in 2024, with miscellaneous switching rates last updated in 2023, and

WHEREAS Tacoma Rail's rates encapsulate cost of service practices, and line haul rates are charged to the BNSF Railway Co. or the Union Pacific Railroad unless the industry served or the shipper elects to pay the fees themselves, and

WHEREAS the switching tariff rate adjustments for 2025 include a system average rate increase of 2.3 percent over current rates, and a 3 percent increase to all miscellaneous switching rates, and

WHEREAS the 2026 tariff supplement increases line haul traffic rates by a system average of 2.3 percent, and

WHEREAS demurrage is a federal requirement for railroads to charge for the undue detention of railcars, and Tacoma Rail's demurrage tariff was last updated in 2023, and



WHEREAS the proposed tariff increases this rate by \$5 per day, for a total of \$70, and

WHEREAS Tacoma Rail recommends approval of the proposed Tacoma Rail tariffs Tacoma Municipal Belt Line ("TMBL") 8807-L and TMBL 6004-E with an effective date of January 1, 2025, and a tariff supplement with an effective date of January 1, 2026, to ensure reliable rail services at cost of service rates, and

WHEREAS by adoption of Public Utility Board Resolution No. U-11489 on October 23, 2024, the proposed amendment was approved, pending confirmation from the City Council; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council hereby adopts the Recitals of this Ordinance as its formal legislative findings.

Section 2. That the reissuance of Tacoma Rail's Tacoma Municipal Belt Line ("TMBL") 8807 series freight switching tariff and TMBL 6004 series demurrage tariffs, are hereby adopted in substantially the form as on file in the office of the City Clerk, effective January 1, 2025.



Section 3. Tacoma Rail's 2026 switching tariff supplement is also adopted in substantially the form as on file in the office of the City Clerk, effective January 1, 2026. Passed _____ Mayor Attest: City Clerk Approved as to form: Chief Deputy City Attorney Requested by Public Utility Board Resolution No. U-11489