



February 21, 2019

## **Hazardous Material Policies, Procedures and Charges**

### **Frequently Asked Questions**

#### **Why is Union Pacific implementing these charges?**

Safety is Union Pacific's top priority. Over the past several years, we have implemented new processes and procedures governing our internal operations and the handling of hazardous materials to operate as safe as possible. In turn, we have asked our customers to also be diligent and safety conscious in their behavior regarding the handling of hazardous materials. These policies, procedures and charges are intended to enforce our commitment to the safety and well being of our employees, customers and the public.

#### **Will these charges be eliminated or modified if liability limitation and/or absorption measures are implemented by customers or industry associations?**

The purpose of these policies, procedures and charges is to ensure that Union Pacific is handling these cars in the safest possible manner while adhering to the Supplemental Security Action Items. The policies, procedures and charges do not address the issue of liability or potential liability.

#### **How will the billing process work? Who can I call if I have questions regarding the charges?**

Union Pacific will issue a bill in accordance with items published in UP 6004. Contact and reference information will be included on all billing. If you believe you have been assessed a charge in error, please contact us via telephone at 800-925-6396, by email at [UPACC@up.com](mailto:UPACC@up.com) or through the AOW portal. Please include any information and documentation you are able to provide in disputing the charges.

#### **What happens if a shipper, receiver or send freight party is billed but was not notified of the new process in advance?**

The new policies, procedures and charges will be published in UP 6004 which is public. Further, as part of UP's formal communication package, we will notify all Union Pacific hazardous material shippers, receivers and send-freight parties of the new policies, procedures and charges.

### **Non-Accident Releases (NAR)**

#### **How will Union Pacific determine if a NAR was caused by, or the responsibility of, the customer?**

A follow up investigation will determine if the cause of the NAR was the responsibility of the customer or the railroad. In the event of railroad derailments, or other railroad-caused damage, Union Pacific will not subject the customer to the NAR charge, assuming the customer has followed generally accepted tank car product containment requirements. If it is determined that the NAR was not railroad-caused, the responsible party will be assessed the charge for the NAR.

#### **If a NAR occurs without a DOT exception, will the customer be billed? Additionally, if an NAR occurs, and a DOT exception is determined to be the cause, will the customer be assessed a charge for both the NAR and the DOT exception?**

A DOT exception occurs when the railcar itself is in violation of a DOT rule or regulation; e.g., something is wrong with placards, markings, how the car and lading are secured (valves, fittings, and closures), brake shoes, bent grab iron, etc. In most cases, a non-accident release of a hazardous material from a container is due to a DOT exception. However, the responsible party will be billed for any non-accident release of a hazardous material from a container (car), regardless of whether or not a DOT exception is determined to have occurred. In the case of an NAR caused by a DOT exception, the responsible party will only be billed the charge for the NAR, and not the DOT exception.

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