National Shipper Advisory Committee Committee Meeting December 3, 2024

Meeting Minutes

Dylan Richmond, the Designated Federal Officer (DFO), welcomed members and thanked FMC and STB staff for making the room available and for setting up this meeting. The DFO reviewed the agenda items before passing the meeting to the Chair and Vice Chair.

Michael Symonanis, NSAC Chair, thanked everyone for participating and stated the importance of continued participation from all members of supply chain. He stated NSAC has tried to engage with various shipper organizations and individual shippers at events around the U.S. in 2024, and that they will try to deepen engagement in 2025 to bring attention to key priorities for ocean shipping supply chain. The Chair stated his belief that there is a lot of value in this type of engagement.

In comments from Ken O'Brien, the NSAC Vice Chair, he shared his belief that the world is more complex now than when NSAC started given the current geopolitical environment and the pending change in administrations. The NSAC needs to help FMC to give them our recommendations and guidance, but the number one thing is to highlight challenges and get parties to engage that can affect change, he shared. We are good at highlighting areas where parties can engage in beneficial discussion.

Chairman Daniel Maffei of the FMC thanked the STB for making their space available for this meeting and the NSAC members for volunteering their time to travel whenever needed at their own expense to attend the meetings of NSAC. He highlighted the NSAC's purpose as outlined in OSRA 2022 and mentioned that NSAC has helped weigh in on two OSRA-mandated rulemakings. The Chairman told members that there will be a lot more work to do for NSAC in 2025 to ensure compliance now that these rules are in place. He stated that he thinks it is part of the vital mission of NSAC to provide their on-the-ground info/expertise so the FMC can better meet their objectives. For FMC to make the most of its limited budget, he continued, it relies on members of the public. He encouraged the members and other non-member shippers to provide any relevant information to help FMC to achieve its mission – and for NSAC members to encourage their shipper colleagues to do so. He lastly encouraged members to seek informal communication with Commissioners/Chairman, and staff as needed.

Dominique Willems, of the Digital Container Shipping Association (DCSA), provided an overview of their organization which has existed for 5 years and works to produce digital standards for the container shipping industry. They have been focusing on items such as vessel schedules, port call optimizations, bookings, etc. In 2024, DCSA had a successful year he shared. There was three times more adoption of their standards and it continues to gain traction. DCSA's Track and Trace standards are up to 180 million API calls per month and continues to grow. They have also added one large ocean carrier to its members who have decided to adopt their standards.

While Commercial Scheduled standards was the main focus of DCSA's prior presentation to the NSAC, in this meeting Mr. Willems focused on DCSA's electronic bill of lading (eBL). The eBL, he shared, is an important shipping document which travels further than the container itself and is used by multiple stakeholders. Creating a digital solution allows for simplicity in the process of moving and clearing cargo. Their members have agreed to a goal of 100 percent eBL adoption by 2030. He highlighted that DCSA has been working with foreign countries, particularly, in Asia to increase adoption, and that DCSA is working to improve mapping of the product to ensure interoperability across countries and to ensure it meets HAZMAT standards.

In 2025, DCSA is working to complete its current portfolio of standards while increasing engagement with the shipping community. In response to a question from an NSAC member, Mr. Willems encouraged shippers to get together to communicate with their carriers to "bring forward what they want" in terms of adoption of any standards or other practices their think are beneficial. The NSAC Chair thanked DCSA for its participation with NSAC which has contributed to the work of the Data Subcommittee.

The Data/Visibility Subcommittee chair, Gabriel Rodriguez, shared the group has been dormant since last meeting, but have kept in touch with various stakeholders in industry. He acknowledged that the group recognizes DSCA's standards as an influence for their work considering there are no regulation that is establishes an alternative. The group continues to meet with DCSA regularly and look forward to continuing to support their work. The group also continues to wait for final MTDI report and is will continue to research data standards.

In comments from the Committee Chair, he stated that data doesn't exist without the shipment and vice versa. In thinking about what is reasonable in data, there has not been a clear conversation on what is fundamental to what you are paying for. NSAC, he said, needs to think about the context of what is reasonable in the system and how the standards translate into the marketplace and improve businesses of different sizes as it related to movement of physical goods. He further stated that the various parties to the supply chain need to be considered in this. We need to move this forward, but we need for more engagement from the shipping public.

Mr. Rodgriguez provided an overview of the proposed recommendation for consideration by the full Committee. He stated that given a general consensus that regulation is not the best vehicle to ensure data transparency, this recommendation represents an alternate path. It would require the FMC to update Congress on the state of maritime data transparency and harmonization annually. This annual report to Congress would include updates on:

- 1. The current status of maritime available data elements, metrics, transmission methods, and industry efforts to standardization.
- 2. Actions taken by the Commission and other maritime industry stakeholders to enhance data transparency and harmonization.
- 3. The best practices or recommendations related to the adoption of data standards.

Hearing no questions on the matter Alexis Jacobson proposed a vote on the motion, which was seconded by Riche Roche. The voting began with all members in attendance casting their vote. One member voted no and all others voted yes.

The Fees and Surcharges Subcommittee Chair, Rich Roche, thanked everyone as their first term comes to an end. He provided update on prior recommendations made by the subcommittee.

- Authority on through BL for rail the FMC was asked to declare their authority over all carriers, terminals, and subcontractors on all through BL and all related charges. The FMC responded that an increase in authority of the FMC would have to be enacted by congress. The Subcommittee then made suggestions on changes of wording for the FMC's NPRM on demurrage and detention to ensure storage charges related to rail storage were under the FMC's authority. The FMC declined to add the word storage to the rule, but this is still being examined by the FMC. Thus, he stated the jurisdiction issue is considered a live issue by the Subcommittee. He shared there is a current Congressional draft bill that might require the FMC and STB to come together to settle this issue and decide who has authority this is a palatable alternative to changing or adding regulation. The Subcommittee is considered a recommendation to encourage these two agencies to hammer this issue out.
- ERD changes the FMC was asked to prohibit charges related to ERD changes. The FMC stated that interpretive rule would prevail here. With ERD changes however, the situation never progresses to demurrage being charged because shippers are often simply shut out of the terminal. The Subcommittee now views this as more of an issue of practices rather than one of fees per se. This would be better reviewed by the new Ports Best Practice Subcommittee – this will be done in 2025.
- Customs holds The FMC stated it will rely on the incentive principal to decide these issues on a case-by-case basis. The Subcommittee considers this as an ongoing item given recent cases that may have set precedent were settled out of court. The problem persists. The Subcommittee will look at this more in 2025

In discussing next steps for the Subcommittee, Mr. Roche stated their focus will be on compliance with the D&D final rule – noting several complaints have already been received on this. While he noted there is good compliance out there, the biggest offenders are some terminals which do not provide an invoice for demurrage at all – usually providing only a simple posting of charges due on their website. These terminals, he stated, do not comply. In 2025 the Subcommittee wants to conduct research to identify which terminals do not comply.

The Chassis Subcommittee Chair, Steve Schult, shared that the group has met with various trucking interests since it was formed to investigate issues related to failure to comply with chassis provisioning. However, now given the FMC has pending cases that will resolve these issues he the group recommends officially closing the Subcommittee. He thanked all members that were a part of the subcommittee for their work.

Mr. Symonanis agreed that closing the Subcommittee makes sense. In different parts of the country, it is not a problem. Other parts of the country within the ALJ's scope it remains to be seen how practices develop following the ruling. As a shipper digging into this issue in the South, there is more clarity from the rule at wheeled intermodal facilities. We will see whether all parties are compliant. He stated he thinks things are moving in the right direction and that any remaining issues will be handled by the other committees. Finally, he noted that this Subcommittee can always start back up if needed.

The Chair of the Ports Best Practices Subcommittee, Debb Minskey, provided an overview of the group's work thus far. They have reached out to landlord and operating ports with the goal of gathering information on three main points: notice of availability, where to drop off and pick up empty containers, and ERDs.

Based on initial input from terminals the group's approach is going to be more collaborative. They worked with one landlord port to see what the potential is to address these issues by thinking outside of the box. Some of the members of this Subcommittee will be looking into this. She acknowledged that this is a different approach by NSAC to get boots and the ground. Ms. Minskey noted that port terminals are complex, and this will help ensure the group gets best practices put in place. She expressed excitement from the feedback received thus far and noted the group has even had some entities reach out to them to see how they can help.

Mr. Symonanis stated that feedback to the refusal to deal rule was rather low with only 15 entities responding. He highlighted that this rule will be based on the feedback received and urged the shipping community to provide more background to ensure the rule is shaped in the most beneficial way.

In 2025, the working group will work to see what issues the shipper community faced if they are not comfortable sharing directly with the FMC. In 2021-2022 it was inability of exporters to get a box at all, or to get the box on the ship. He again urged shippers to provide their feedback on how things are currently working in the supply chain given current events, such as in the Red Sea. There has not been a lot of exporter feedback up to this point.

In comments from Mr. O'Brien, he shared his feedback from a shipper that no one is willing to say anything because of fear of reprisal. He further stated his advice to them is "I can't help you." The FMC needs to find a way to solicit this feedback in a confidential manner, so they can get the information they want. Mr. Symonanis agreed saying this is a commercial concern. This issue, he said, needs to be overcome. There needs to be a safe avenue for people to bring these issues up.

Siva Narayanan, a member of National Industrial Transportation League (NITL) and Chair of their Ocean Committee, said data is the enabler, but NSAC needs to deliver it as a measurement tool. We need to know the origin, when it was collected, how it was collected, and how it was delivered. If we do not ask the "why" the data is meaningless. He urged NSAC to consider what is the end point of the data? In additional comments he shared that NSAC should be looking into the total rail situation. There is a bit of a gap given the situation between the STB and FMC. The FMC has indicated it may be in their purview, but there is not yet a clear view for shippers right now. The shippers need to know who is responsible to know how issues will be resolved.

He indicated the harmonization of port practices as an issue the NSAC should consider. He posited that entities outside the U.S. would expect the U.S. to have uniform practices in all ports. He stated the U.S. is in the minority in that it does not have uniform practices, and it will serve the international shipper community well to have standard operating procedures for all U.S. ports. He asked the NSAC to look at this issue in 2025.

It is easier to get an example of refusal to deal for exports within or residents of the U.S. If you have shipper from Asia or an exporter outside the U.S. the first thing on there mind is not to document a refusal to deal, but to get cargo out of the port. This issue of documenting these instances overseas is much more difficult. We need to cultivate a mentality toward documenting such issues, or at least advise them on this.

After the public comments, Mr. Richmond provided an update to members on the status of their continuing membership on the Committee. He stated that committee members are selected by the Commission and continue to serve at its discretion. While all current members terms end Dec 31, 2024, the Commission has asked all members to remain on the NSAC as holdover members until the end of 2025. He shared that sometime next year a federal register notice will go out to solicit new membership. The FMC will later select new members – 12 importers and 12 exporters – to serve on the Committee starting in 2026.

The discussion moved to the NSAC schedule for 2025. Mr. Symonanis proposed a schedule of 3 meetings in 2025. He also reminded members that they are volunteers within their chosen Subcommittees, and stated that anyone that wants to can move to another subcommittee or give up their spot to another member for the new year. As of the date of this meeting, the 2025 schedule is as follows:

- Q1 at TPM25
- Q2 hosted by Georgia Port Authority
- Q4 at FMC Headquarters

In his closing comments Mr. Symonanis recognized the contribution of organizations so far and reiterated desire to increase engagement in 2025. He expressed his belief that the U.S. should lead on issues relevant to the NSAC. He stated the NSAC has a strong team of leaders and volunteers.