

SURFACE TRANSPORTATION BOARD

300916

Docket No. EP 755

ENTERED

FINAL OFFER RATE REVIEW

Office of Proceedings

Summary of Video Meeting between Solvay America, Inc and
Surface Transportation Board Vice-Chairman Marty Oberman

July 22, 2020

Part of
Public Record

July 14, 2020, 4:30pm ET

Solvay Attendees: Solvay Attendees: Mike Lacey, President; Fred Radvansky, Senior Rail Buyer for Inland Logistics North America; Carlos Escobar, Commercial Operations Senior Lawyer; Dave Cetola, VP Government Affairs North America; Elizabeth Boylan, Advisor for Government Affairs North America

STB Attendees: Vice-Chairman Marty Oberman, Ellen Erichsen

The meeting began with introductions. Solvay thanked the Board for the opportunity to weigh in on the Final Offer Rate Review (FORR). Rail service is a large and critical component of Solvay's global supply chain and Solvay highlighted the large volume shipped by its businesses over hundreds of rail routes across North America. Solvay expressed the need for a fair and effective rate case process moving forward.

Vice-Chairman Oberman asked Solvay to provide more information about its different products, which Solvay did. Solvay also provided information about its rail shipments, routes, spending and fleet size.

Solvay noted it has a positive view of FORR and seeks a fair process for rate review that would be cost-effective, efficient and handled within a fixed period. Solvay explained the existing stand-alone cost (SAC) process is outdated because it is expensive, time-consuming and difficult to manage. FORR provides a better path forward that is open, transparent and places decision making authority with the Board.

Solvay seeks a fair process that is available for use when necessary to keep railroads and shippers honest. Solvay explained the existence of FORR would provide an incentive for railroads and shippers to negotiate fair rates, which would make the use of the FORR process unnecessary.

Vice-Chairman Oberman asked whether in the past Solvay had ever wanted to obtain rate relief. Solvay elected not to pursue the SAC process, which the participants discussed.

It was discussed that in recent weeks the railroads urged the Board to require the arbitration of rate disputes and asked whether Solvay would support that. Solvay confirmed they would need to see a proposal on arbitration before taking an official position, but is seeking a dispute resolution process that's fair. Solvay explained a fair process would include things like neutral arbitrators and a structure that would include things like reasonable deadlines and access to information. Solvay would prefer to see FORR enacted and has confidence in the Board. Solvay agreed to consider submitting comments if a proposal goes to the Board at the end of July.

Solvay thanked the Board for its time and expressed its appreciation for all of the Board's efforts relating to FORR.