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Cynthia T. Brown  
Chief, Section of Administration,  
Office of Proceedings  
Surface Transportation Board  
395 E Street SW  
Washington, DC 20024

Re: Urgent Issues in Freight Rail Service  
Docket No. EP 770  
*Comments of Tronox Holdings PLC (color images included)*

Dear Ms. Brown:

Tronox Holdings PLC ("Tronox") submits these Comments pursuant to the Notice of Public Hearing served by the Board on April 7, 2022, to inform the Board of rail service issues Tronox has experienced at its Hamilton, Mississippi plant.

**Tronox and the Hamilton Plant**

Tronox is a vertically integrated producer and marketer of titanium dioxide pigment, a crucial ingredient in the manufacture of paint. Among Tronox's holdings is the Hamilton Pigment Plant (the "Plant") located in Hamilton, Mississippi. The Plant is located on approximately 3,000 acres, and is Tronox's largest titanium dioxide manufacturing facility, with a production capacity of approximately 240,000 tons per year. The Plant has over 500 employees and contractors, and is a significant contributor to the local economy, and to the community through its civic engagement efforts.

**Use of Rail by the Hamilton Plant**

The Plant receives approximately 3600 carloads of inbound raw materials by rail per year, and ships approximately 1200 carloads of outbound finished product (primarily titanium dioxide in slurry form). For the outbound shipments, the Plant currently has under lease a fleet of 206 rail tank cars that have been customized for the movement of the titanium dioxide slurry.

The Plant is served exclusively by BNSF Railway Company ("BNSF"). The outbound shipments at issue discussed below, are moved by BNSF (via Amory,

Mississippi, and Memphis, Tennessee) to Birmingham, Alabama, where they are interchanged to Norfolk Southern Railway Company ("NSR") for delivery to the customers.

### **Rail Service Issues Suffered by the Hamilton Plant**

Tronox is particularly concerned with the deterioration of rail service from the Plant to three of its key customers who are located in Brills, New Jersey, Oakwood, Georgia and Morrow, Georgia. All three customers are directly served by NSR. Between 2019 and 2022, loaded transit times to the three destinations have, respectively, increased by 27% (from 15 to 19 days), 44% (from 9 to 13 days), and 73% (from 11 to 19 days). See the enclosed chart. As shown on the chart, transit times have steadily been increasing, but have gotten markedly worse in the first quarter of 2022. Transit times for return of the empty cars (and thus the total cycle times for the railcars) have seen similar increases.

Based on Tronox's tracing of the railcars, it seems that the main issue is congestion in Birmingham where railcars are sitting for 5 to 10 days. After 72 hours of no movement, the Plant will start inquiring of NSR why the cars haven't moved. Tronox does not know for sure what is causing the delays in its shipments or the hold up in Birmingham. Tronox does not know for sure whether it is an interchange issue between BNSF and NSR, manpower or locomotive shortages, insufficient infrastructure, technology, or some other operational issues, and the railroads have not been forthcoming in response to the Plant's inquiries. Tronox understands that because of the congestion, getting the right cars to the right places to be moved may require more local / yard moves, which in turn may require more locomotives and employees, and exacerbate the problems of the railroads that reportedly have shortages of both. On at least one recent occasion, one of Tronox's customers was notified by NSR that final delivery could not be made (over several days) because of the lack of a qualified crew. A key issue for Tronox has been the lack of transparency into how long shipments are expected to take. This has made planning for Tronox and its customers extremely difficult and expensive.

Without reliability of when shipments will arrive at its customers, the Plant has been forced more to move more of its freight in trucks, and at times has needed to send duplicate shipments by trucks. This puts more trucks on the roads, adds to Tronox's costs (particularly with the increases in diesel prices), and is less green. Forcing traffic onto the highways through unreliable rail service is certainly not in keeping with the sustainability and green initiatives that the railroads tout.

Further, the increased delivery times and consequent increases in cycle times may require the Plant to incur additional costs to lease or acquire, and customize, an additional 50 railcars for its private fleet to handle its outbound shipments.

To add insult to injury while the Plant has experienced deteriorated service and has incurred additional costs to address the service issues, freight rates charged by the railroads between 2019 and 2022 have increased by 15% to Brills, by 54% to Oakwood, and by 22% to Morrow.

Tronox and its customers have attempted to raise the service issues with NSR, and because NSR has not been responsive, Tronox has taken the issue to the Board's Rail Customer and Public Assistance office (as suggested in the Notice of Public Hearing, p. 3, fn. 5). Despite these inquiries and complaints, Tronox has yet to see any improvements or even concerted efforts by NSR to address the service issues.

## **Conclusion**

Tronox thanks the Board for its consideration of the comments of shippers such as Tronox who have experienced deteriorated rail service, and will be monitoring future Board actions to ameliorate the problems that have been presented in this docket.

Respectfully submitted,

[/s/ Steven Grossman](#)

Steven Grossman  
Assistant General Counsel,  
North America

cc: Senator Roger Wicker

	2019	2020	2021	2022	% Inc 2019 to 2022
<b>Brills, NJ</b>	15	17	16	19	27%
<b>Oakwood, GA</b>	9	10	11	13	44%
<b>Morrow, GA</b>	11	12	14	19	73%

