

Dear Chairman Oberman,

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My name is William J Powell III and I have been employed as a railroad employee for 8 years. I am currently a freight conductor/switchman and I work out of Kansas City, KS and Kansas City, MO. I primarily move freight trains as an extraboard road conductor as part of a relief crew or filling in for a pool turn. I'd like to share my perspective as an employee at the ground level as to why I believe the class 1 railroads called to this hearing are failing to reach their full potential. I've had to "chase" work all 8 years except for one when I was furloughed for 15 months from January 2016, which is normal in this career but in a "supply chain crisis" one wouldn't expect to chase work with all the container ships in the ocean and all the grain that needs to be moved and yet there are locomotives in storage all over the country. This makes no sense to me nor does "throttle restrictions" in the name of saving fuel but yet passing the cost on to their customers. In my opinion these Class I railroads do not have the supply chain crisis in their best interest. It seems their only concerns are cutting costs and astronomical profits for the shareholders

I'll start this letter of testimony today with a Feb 1, 2022 quote from BNSF CEO Katie Farmer during a scheduled event at TCU College where Katie was invited to be a speaker. During her interview, she mentions a discussion she had with Executive Director Jeane Saroca in regards to the shipping crisis, and why so many ships were stacked up at the ports. During the discussion, she asked Director Jeane Saroca, and I quote, "what's the main

obstacles to really solving this, and he said LABOR". Here is the link to the video if you wish to watch it.

<https://www.facebook.com/163502416997218/posts/5415118361835571/>

I agree with Director Jeane Saroca. Labor is a huge issue as to why the railroads are not living up to their potential, and why they are failing the American consumer.

Let's address why there is a labor issue on today's railroad and how its downfall began. When I hired out in 2005 the railroad was considered a great career opportunity. We mainly managed ourselves, worked to our full potential, ran trains to their full potential, and we all did a little extra to get the trains over the road. The attitudes of my coworkers back in 2005 were leaps and bounds much better than they are today. Morale wasn't always perfect, but it existed in 2005. If you so much as mention Morale at work in today's railroad you'll be met with hysterical sarcastic laughter. In 2005 there was mutual respect at the ground level for the most part between crews and management

Then, 2017 happened. Every since then, it has only become worse. In 2017 CSX bought into Hunter Harrison and his PSR philosophy. I'd go into detail as to what PSR is, but I am quite sure that you all already have a good idea as to what PSR is and does. His original version of PSR was supposed to increase the worth of

the CSX sustainability, but in the beginning, it failed miserably. His cost-cutting, penny-pinching measures almost put CSX into bankruptcy, but since the CSX invested such a large sum of money into what they believed to be the messiah of railroading, Hunter Harrison, they choose to stick it out and let Hunter adjust his PSR to perfection. So, Hunter Harrison made some adjustments in hopes that his new version would be a game-changer.

Unfortunately, he didn't live long enough to see how pathetically flawed the actual concept is, and how it now has every class one railroad CEO peering through their dollar sign imprinted contact lenses looking to appease greedy investors. As the CSX failed, all the other class 1 railroads sat back and took notes. It didn't take much time for all the class 1 railroads to adopt their versions of PSR, even though some fail to admit it to this day.

PSR is complex and relies heavily on cutting costs, cutting crews, and data to back it up. In my opinion, the data given is usually corrupt and untrue. This is what happens when upper management puts a lot of pressure on lower management to make numbers happen, so a lot of times, that's exactly what they do. Make them up. In reality, PSR is destroying American class 1 railroads. The main objective of a PSR world is to do as much as possible with as little as possible in an effort to increase profit. When you are willing to run your railroad based upon a heinous and draconian philosophy of railroading, you are also bound to be met with a labor issue. At some point, the employees will reach their limits of tolerance to the sadistic micromanagement, and evil availability policies that are imposed to weed out all those that refuse to dedicate 90% of their life to ensure the carriers and their wicked system fills the pockets of the almighty investors. Many loyal, hard-working employees are currently resigning in record numbers from all the class 1 railroads, and the railroads have done nothing to stop that

bleeding. Perhaps their greed and poor judgment are aligned with further goals such as imposing a 1 man crew, and if that is what their goal is I would like to see something done because this is a blatant attempt to reduce the workforce to bypass the railway labor act, and union negotiations. The carriers have publicly shared their goal of running trains with just 1 person for many years now, and this could be their queen move within their game of chess to make that happen. Until they do something to work with the workforce to make the lives of their employees better, you will continue to see the "labor" issue become greatly worse. I, myself do not foresee making it into next year with the currently imposed availability policy from the carrier I work for.

Another menacingly corrupt concept the PSR ideology brings to the table is the idea that intentionally slowing down trains systemwide will ensure that the average velocity rate will increase across the system. This means, that almost all trains that are not highpriority freight for the last 3-4 years have been regulated not to run faster than 40 mph while in power. Some trains have notch restrictions that keep them from ever reaching a speed of 40 mph. I have personally been on many trains that never reached a speed over 25 mph because of all the notch restrictions, and locomotive isolations required. This means the only time a non-priority freight train moves faster than 40 mph is when it's going downhill. The carriers have also programmed their trip optimizers to run the train in auto-control accordingly to ensure speeds over 40 mph are rarely reached. The carriers claim this is also fuel saving program. So the surcharge, which I'm sure is added to the costs that the customers pay, is being salvaged by slowing down the customer's freight delivery in an effort to increase the wealth of the carriers. They claim to put the customer's satisfaction at the top of their goal list but in reality, they know that each one of the railroads has

monopolized many portions of the country, and they know that a large majority of their customers are limited with choices. They know that a displeased customer today is still going to be displeased customer tomorrow, and the customers will pay for bad service just the same as they would for great service because that carrier's service most often is the only service available. I mean, what are they going to do about it? The answer is nothing, and the carriers know that.

At the end of the day, all of their cost-cutting antics are simply making trains go from point A to point B much slower. This causes late deliveries and creates bottlenecks of traffic throughout the system. Slower manifest trains often end up slowing down the higher priority freight as the faster train catches up to the slower train forcing it to move much slower until the high priority freight can move around the slower train. Naturally, a butterfly effect follows when a cluster of trains is running close together especially when they reach the end of their destination. This will often lead to several trains needing to be dog caught in route because the original crew has expired within their hours of service.

Another butterfly effect of this PSR ideology is in correlation to poor train lineups that all TYE employees must rely on to have an idea as to when they will go to work. These lineups over the last 5 years have been the worst lineups I have seen in my 17-year career. I had a better idea as to when I was going to work 15 years ago than I do today. Looking at lineups today is frankly a waste of time. They can and do change by 12 to 24 hours in a matter of minutes. When we can not rely on any sort of accurate train lineup to determine when we will go to work next, we're left to guess.

When our guesstimate is wrong, we're often forced to work ill prepared to fight fatigue. These carriers have done next to nothing to alleviate the critical fatigue issues that plague our workforce. If anything, these carriers have only made it worse with their unreasonable and career threatening availability policies. A tired workforce is a slow workforce that creates an unsafe work environment for the employees and the public. Crews are already being overworked from the fear of taking a day off, so they continue to work until they are federally mandated to take 48 hours off. With the drastic reduction of crews and the remaining crews being overworked to the point of federal protection, what's left is a huge lack of labor. Without the necessary labor in the workforce, the carriers are forced to let their trains sit on the mainlines for several hours or days at a time. If these carriers continue treating their employees the way they do, soon they won't have many employees left because many are deciding that the pros no longer outweigh the cons. The pay and benefits are no longer worth the toxic work environment in which the carriers continue to make more toxic daily.

From my perspective, it is apparent that the carrier's pennypinching and unsafe tactics have created enough chaos to catch the attention of the ST B, and that forced you to enact this hearing today. So I ask, how much longer will you allow the customers to be ripped off and disappointed in the name of greed? Do the employees and the smaller customers matter even a little bit anymore, or should we all submit to the power of the corporate elite? Do several small businesses and corporations need to go belly up before anyone does something about the reckless behaviors of these corporate juggernauts? When will enough actually be enough?

This leads me to my next subject, morale. In my 17 years on the Railroad, I have never seen morale at such a toxic low. We have talented locomotive Engineers and Conductors resigning from these carriers and leaving behind 15 to 20+ years of experience and dedication solely based on how the Carriers have decided to treat us. I cannot name a single coworker who feels appreciated or wanted by the carrier. We all feel like the carrier sees us as an enemy, and they would love to get rid of all of us. They hate that they must employ us, and they treat us accordingly. During my time in the military, I learned firsthand that soldiers with poor morale very rarely achieve the desired mission accomplished results. The carriers want to call us team players; if that's the case, as it stands, we're not even playing the same sport, much less on the same team. If the carrier would choose to begin mending all of the despicable tactics and strong-armed behaviors that they have imposed upon their employees with their soul-crushing policies, morale would improve substantially. A team atmosphere can still be salvaged, but it's going to take a lot of doing on the part of the carriers. Studies show that employees with a better, more positive attitude will significantly improve the success of a company overall. This will never be achieved when every one of us feels like we are selling our souls to the devil to maintain our lifestyle as we work within the realms of an employer that changes our terms of employment monthly. Most of us did not sign up for this, nor do we deserve the way the carriers treat us. We have put up with countless hours of moving freight at all hours of the day and night. We have missed so many events in our family's lives that we will never get back, and we sacrifice our mental and physical health to appease these carriers just to be slapped in the face time and time again. Those of us who remain feel we are working on expired time and our last day could be at any moment.

All of the above is why we have a labor problem, and only the rail carriers can fix it. It's time for the to lace up their shoes

because the ball is in their court, shooters are open and the shot clock is getting near zero.

These are just a few thoughts from me, a locomotive engineer at the ground level. I know much more will be exposed today as I also assisted my union affiliate to obtain countless stories from across the United States, as well as physical evidence. I know they will help you understand fully what is really going on, and I thank you for taking the time to investigate the issue at hand, and for reading my words into testimony.

Sincerely,

Bill Powell

Freight conductor

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