

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. EP 767

FIRST-MILE / LAST-MILE SERVICE

Digest:<sup>1</sup> The Board closes this docket in light of the reporting requirements related to first-mile / last-mile service adopted in Docket No. EP 787, Updating Class I Rail Carrier Reporting Requirements.

Decided: May 7, 2026

On May 8, 2026, in Updating Class I Rail Carrier Reporting Requirements (Updating Reporting Requirements), Docket No. EP 787, the Board issued a final rule that, in part, requires Class I carriers to report certain weekly service metrics related to first-mile / last-mile (FMLM) service. Accordingly, the Board will close this proceeding, which was opened to invite comments on issues related to FMLM service and enhance the Board’s understanding of those aspects of rail carriers’ performance.

BACKGROUND

FMLM service refers to the movement of railcars between a local serving yard and a shipper or receiver facility. “Local trains” serve customers in the vicinity of the yard, placing (or “spotting”) inbound cars for loading or unloading and picking up (or “pulling”) outbound cars from the customer’s facility. A large local yard may run numerous local trains serving many customers dispersed along separate branches; a smaller yard may run only a handful of local trains. See First-Mile / Last-Mile Serv., EP 767, slip op. at 1 (STB served Sept. 2, 2021).

Since 2016, the Board has been collecting a variety of railroad performance data from Class I railroads pursuant to rules adopted in United States Rail Service Issues—Performance Data Reporting, Docket No. EP 724 (Sub-No. 4). The primary purpose of that rulemaking was to develop a set of performance data that would allow the Board and stakeholders to monitor current service conditions in the industry. However, these rules, codified at 49 C.F.R. § 1250.2,

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<sup>1</sup> The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol’y Statement on Plain Language in Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

do not focus on FMLM service apart from some limited reporting required for traffic moving in unit trains.<sup>2</sup>

In September 2021, following concerns raised by shippers across several industries, the Board served a decision inviting stakeholders to comment on issues related to FMLM service—particularly whether metrics to measure such service might have utility exceeding any associated burden. First-Mile / Last-Mile Serv. (Sept. 2021 Decision), EP 767, slip op. at 1-4 (STB served Sept. 2, 2021). Twenty-three comments and eleven reply comments were filed,<sup>3</sup> providing stakeholder perspectives on FMLM service issues, the design of potential metrics to measure such service, and the associated burdens or trade-offs with any suggestions raised by commenters.<sup>4</sup>

Soon after, to address growing signs of deteriorating service across the rail network, the Board held a public hearing in April 2022 in Docket No. EP 770. Urgent Issues in Freight Rail Serv., EP 770, slip op. at 2-3 (STB served Apr. 7, 2022). In May 2022, the Board issued an order in Docket No. EP 770 (Sub-No. 1), requiring all Class I rail carriers to temporarily report specified service metrics, including metrics related to FMLM performance, and certain employment data. See Urgent Issues in Freight Rail Serv.—R.R. Reporting, EP 770 (Sub-No. 1), slip op. at 1-2, 5-7 (STB served May 6, 2022). In January 2024, following two decisions

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<sup>2</sup> See 49 C.F.R. § 1250.2(a)(4) (requiring weekly reporting of average dwell time at origin for listed types of unit trains, by train type).

<sup>3</sup> Comments were filed by American Chemistry Council, American Fuel & Petrochemical Manufacturers, and The Fertilizer Institute (TFI) (collectively, the Shipper Associations); American Petroleum Institute; American Short Line and Regional Railroad Association (ASLRRA); American Train Dispatchers Association, Brotherhood of Maintenance of Way Employees Division/IBT, Brotherhood of Railroad Signalmen, International Association of Sheet Metal, Air, Rail and Transportation Workers-Mechanical Division, International Association of Sheet Metal, Air, Rail and Transportation Workers-Transportation Division, and National Conference of Firemen and Oilers, 32BJ/SEIU (collectively, the Unions); Association of American Railroads (AAR); BNSF Railway Company (BNSF); Canadian National Railway Company (CN); CSX Transportation, Inc. (CSXT); Diversified CPC International, Inc.; Glass Packaging Institute; Industrial Minerals Association – North America (IMA); Institute of Scrap Recycling Industries, Inc.; International Liquid Terminals Association; National Association of Chemical Distributors; National Grain and Feed Association; National Industrial Transportation League; National Propane Gas Association; Norfolk Southern Railway Company (Norfolk Southern); Private Railcar Food and Beverage Association (PRFBA); The Kansas City Southern Railway Company; U.S. Department of Agriculture; U.S. Department of Transportation and Federal Railroad Administration; and Western Coal Traffic League, Freight Rail Customer Alliance, National Coal Transportation Association, Portland Cement Association, and Steel Manufacturers Association (collectively, the Joint Shippers).

Replies were filed by AAR; ASLRRA; BNSF; CN; CSXT; IMA; Norfolk Southern; PRFBA; the Joint Shippers; the Shipper Associations; and the Unions.

<sup>4</sup> See Sept. 2021 Decision, EP 767, slip op. at 1 (stating that Board was seeking such information); id. at 4-6 (providing illustrative list of questions).

extending the data collection period through the end of 2023, the Board ordered all Class I carriers to continue submitting employment data through December 2024. See Urgent Issues—R.R. Reporting, EP 770 (Sub-No. 1), slip op. at 2-3, 9 (STB served Jan. 31, 2024). The Board, however, found that in light of recent service improvements reflected in the data and its continued ability to monitor the durability of service improvements through the ongoing employment data reporting, it was not necessary to extend the reporting period for railroad service performance data.<sup>5</sup> Id. at 7-9.

On April 30, 2024, in Docket No. EP 711 (Sub-No. 2), Reciprocal Switching for Inadequate Service, the Board issued a final rule that, among other things, required that each Class I carrier report certain local service metrics. That final rule was vacated by the U.S. Court of Appeals for the Seventh Circuit. Grand Trunk Corp. v. STB, 143 F.4th 741 (7th Cir. 2025).<sup>6</sup>

On September 30, 2025, the Board proposed in Docket No. EP 787 a rule that, as relevant here, would require Class I carriers to report two service metrics—industry spot and pull (ISP) and original estimated time of arrival (OETA)—on a weekly basis, both of which implicate and will assist the Board in monitoring FMLM performance. See Updating Reporting Requirements (NPRM), EP 787, slip op. at 4-6 (STB served Sept. 30, 2025). In comments submitted in response to the NPRM, AAR called upon the Board to close Docket No. EP 767. See AAR Comments 12, Nov. 24, 2025, Updating Reporting Requirements, EP 787. According to AAR, “[i]n particular, the ISP metric is designed to measure the quality of [FMLM] service” and therefore “[i]f the Board decides to permanently collect service data reporting, it would no longer be necessary to maintain [Docket No. EP 767] open.”<sup>7</sup> Id.

On May 8, 2026, the Board issued a final rule adopting the proposed service metrics with certain modifications. See, e.g., Updating Reporting Requirements (Final Rule), EP 787, slip op. at 5-26 (STB served May 8, 2026). Under the Final Rule, codified at 49 C.F.R. part 1251, the ISP metric measures a rail carrier’s success in performing local spots and pulls of railcars, moving in manifest service, at shippers’ or receivers’ facilities during a planned service window. See generally Final Rule, EP 787, slip op. at 30-32. The OETA metric measures a carrier’s success in meeting its estimated arrival times for shipments moving in manifest service. Id. at 30-31.

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<sup>5</sup> The Board later simplified and further extended the employment data reporting requirements through December 31, 2025. Urgent Issues—R.R. Reporting (Dec. 2024 Decision), EP 770 (Sub-No. 1), slip op. at 1 (STB served Dec. 20, 2024). Reporting was not further extended after the December 2024 Decision. By a decision served May 8, 2026, the Board closed Docket Nos. EP 770 and EP 770 (Sub-No. 1).

<sup>6</sup> The Seventh Circuit remanded the matter to the Board for further proceedings. The Board will address the court’s remand in a future decision.

<sup>7</sup> AAR also proposed closing Docket Nos. EP 770 and EP 770 (Sub-No. 1). AAR Comments 12, Nov. 24, 2025, Updating Reporting Requirements, EP 787.

## DISCUSSION AND CONCLUSIONS

The Board will terminate this proceeding and close the docket. The Board appreciates the input it received from stakeholders in this exploratory proceeding, which enhanced the Board's understanding of an important aspect of rail carriers' service. The OETA and ISP metrics adopted in Docket No. EP 787 will assist the Board in monitoring the FMLM performance of the Class I carriers, consistent with the Board's purpose in initiating this proceeding. Additionally, no commenter in Docket No. EP 787 objected to AAR's assertion that Docket No. EP 767 should be closed or called for it to remain open.<sup>8</sup> Accordingly, in light of the FMLM-related reporting requirements adopted in Docket No. EP 787, the Board will discontinue this docket.<sup>9</sup>

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

It is ordered:

1. Docket No. EP 767 is discontinued.
2. This decision is effective on its date of service.

By the Board, Board Members Fuchs, Hedlund, and Schultz.

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<sup>8</sup> TFI encouraged the Board to adopt additional FMLM-related performance metrics suggested by some commenters in Docket No. EP 767 but did not call for this proceeding to remain open. TFI Comments 3-4, Nov. 24, 2025, Updating Reporting Requirements, EP 787 (urging the Board "to work with stakeholders on further improvements in FMLM performance reporting, especially as it advances 'a broader effort to enhance, focus, and automate the agency's data collection'"). TFI's views are addressed in the EP 787 Final Rule.

<sup>9</sup> This action, however, does not foreclose the possibility of the Board taking future action relating to FMLM issues in a new docket should circumstances so warrant.