

SURFACE TRANSPORTATION BOARD

Docket No. EP 724 (Sub-No. 4)

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UNITED STATES RAIL SERVICE ISSUES—PERFORMANCE DATA REPORTING

Summary of Ex Parte Meeting between the Freight Rail Customer Alliance (FRCA) and
Surface Transportation Board (STB) Staff

Held December 3, 2015, 2015 3:00 PM – 3:29 PM

FRCA Attendees: Ann Warner (Executive Director, FRCA), Shelley Sahling-Zart (Vice President & General Counsel, Lincoln Electric), Michael Nolan (Washington Representative, Lincoln Electric)

STB Attendees: Katherine Bourdon, Michael Higgins, Ronald Molteni, Lisa Novins, Nderim Rudi, Jason Wolfe

FRCA began by stating that its predecessor organization, Consumers United for Rail Equity, filed comments last year in the Docket No. EP 724 proceedings. FRCA did not have specific additions to those comments, but wanted to express the importance to its stakeholders that the Board continues to request data from the railroads. Service issues have been a major concern for its utility members because their service is dependent on reliable coal deliveries. Following some major service issues in Wyoming in 2005-06, one utility location was down to a five-day stockpile. The same location experienced additional issues in 2013-14. Although service has improved for that utility, other utilities have had additional issues. Metrics are important for stakeholders to foresee crises and avert them when possible. The data provides stakeholders with the opportunity to see and compare metrics when things are working well versus when there may be service issues. FRCA stated that transparency is key.

STB Staff asked if FRCA has any specific proposals for consideration or suggested modifications to the proposed reporting requirements. FRCA did not offer any new proposals, but generally endorsed proposals by the Western Coal Traffic League (WCTL). Specifically, it noted that utility coal stock pile data would be useful.

STB Staff asked if FRCA members use the data provided on various Class I railroads' websites, including on-time train arrival, on-time train departure, re-crew rates, plan adherence, etc. FRCA indicated that all of those metrics are useful and their members regularly go to the Class I railroads' websites to get that data. However, it would be helpful if the Board included that type of data on its website so that the data was all in one location and format. This would allow for uniformity and efficiency.

STB Staff asked if FRCA would prefer a plan versus performance metric for coal loadings or if the proposed rule on aggregated data was adequate. FRCA indicated that the plan would be useful because it would provide insight about whether railroads are meeting their own expectations, and whether they are improving or declining. STB Staff then asked about how

FRCA members correct for differences between performance and plan data when a customer initially nominates ten trains for a period, but then reduces its request to a lower number. FRCA explained that it would have to look at how far off their forecasted needs tend to be, but noted that they rarely decrease their nominations because they can store coal in their stockpiles. STB Staff also inquired about whether FRCA members track their cycle times closely. FRCA responded that the plants do. STB Staff then asked for FRCA's opinion on WCTL's request for data on specific rail corridors. FRCA indicated that some of their members would find that data useful.

STB Staff next asked how FRCA members are currently using the data being reported. FRCA responded that its members are watching for increased cycle times in certain regions and analyzing what impact those cycle times have regionally and nationwide. FRCA reiterated its concern over the size of its members' coal stockpiles and the need to ensure that they have sufficient coal on hand at all times. STB Staff asked if FRCA believes there are any particularly relevant metrics for the fluidity of the Chicago gateway, to which FRCA responded that it does not have a proposal for specific data reporting on the Chicago gateway.