



Freight Rail Customer Alliance

April 7, 2023

VIA EMAIL

The Honorable Patty Murray, Chair
U.S. Senate
Senate Appropriations Committee
S-128 The Capitol Building
Washington, DC 20510

The Honorable Susan Collins, Vice Chair
U.S. Senate
Senate Appropriations Committee
S-128 The Capitol Building
Washington, DC 20510

The Honorable Brian Schatz, Chair
U.S. Senate
Transportation, Housing & Urban Development,
and Related Agencies Subcommittee
Senate Appropriations Committee
S-128 The Capitol Building
Washington, DC 20510

The Honorable Cindy Hyde-Smith, Vice Chair
U.S. Senate
Transportation, Housing & Urban Development,
and Related Agencies Subcommittee
Senate Appropriations Committee
S-128 The Capitol Building
Washington, DC 20510

Dear Chairs Murray and Schatz, and Vice Chair Collins and Hyde-Smith:

The Freight Rail Customer Alliance ([FRCA](#)) – an umbrella organization including trade associations representing more than 3,500 manufacturing, agriculture, chemical and alternative fuels companies, electric utilities, and their customers – thanks you and your Appropriation Committee colleagues for continuing to support freight rail shipper issues.

In particular, FRCA thanks you and your colleagues for providing \$41.429 million for the Surface Transportation Board (STB or Board) for the current Fiscal Year (FY) 2023 in the ***FY 2023 Consolidated Appropriations Act***, P.L. 117-328.

First, for FY 2024, FRCA requests that you provide, at a minimum, the \$48.184 million as recommended in the Administration's FY 2024 Budget

- The STB needs to have adequate annual appropriated funds to provide necessary and effective oversight of our country's growing reliance on freight rail, continued supply chain challenges, and increasing passenger rail demands. Freight rail is a vital component of our nation's economy. It is relied upon by farmers to deliver crops to market and by utilities and propane suppliers to receive the fuel they need to serve their customers and keep the lights on. Freight rail also enhances our global competitiveness.
- This appropriation need is made more acute by the unprecedented demand placed on STB's regular activities and resources given: 1) the freight rail service crisis affecting nearly all shippers regardless of size, location, or commodity; 2) monitoring mergers, especially a recent one combining two Class I carriers; and 3) standing-up a passenger rail division.

- The ***Surface Transportation Board (STB) Reauthorization Act of 2015***, P.L. 114-110, gave the STB additional responsibilities, including instilling processes and procedures to enhance transparency and overall effectiveness. Freight rail shippers rely heavily on rail industry data provided through the STB to help: 1) make vital daily and longer-term operational decisions; 2) forecast industry emerging trends; and, 3) monitor the railroads' service and performance levels.

Second, thanks in large part to this Committee's past attention to stakeholder concerns via accompanying report language, progress continues to be made, especially with the STB now operating with a full complement of Board Members, moving on some major proceedings, and starting to address the freight rail service crisis.

To that end, FRCA requests that your Committee include accompanying report language in the FY 2024 appropriations measure addressing ongoing freight rail shipper concerns by encouraging the Board to:

- Fully utilize its existing authority to effectively address worsening freight rail service problems that continue to harm shippers.
- Collect and monitor first and last mile (FMLM) rail carrier service performance data as well as other key railroad service metrics.
- Finalize as expeditiously as possible longstanding rulemaking proposals to foster competition in the marketplace and adequacy in railroad service.
- Request additional resources, as necessary, to ensure the STB has the staffing and expertise to undertake a greater use of cost-benefit analyses in rulemakings.

Your ongoing commitment to the STB, by appropriating these necessary funds and incorporating the corresponding report language, is still greatly needed.

Thank you for your continued leadership and consideration.

Sincerely,



Ann Warner, FRCA Spokesperson

cc: Senator Dick Durbin (D-IL)
Senator Dianne Feinstein (D-CA)
Senator Jack Reed (D-RI)
Senator Chris Coons (D-DE)
Senator Chris Murphy (D-CT)
Senator Joe Manchin (D-WV)
Senator Chris Van Hollen (D-MD)
Senator John Boozman (R-AR)
Senator Shelley Moore Capito (R-WV)
Senator Lindsey Graham (R-SC)
Senator John Hoeven (R-ND)
Senator John Kennedy (R-LA)
Senator Jerry Moran (R-KS)
Shelley Sahling-Zart, FRCA President, Lincoln Electric System



Freight Rail Customer Alliance

FRCA includes large trade associations representing more than 3,500 electric utility, agriculture, chemical, and alternative fuel companies, and their consumers. Its mission is to obtain changes in Federal law and policy that will provide all freight shippers with reliable rail service at competitive prices. www.railvoices.org

Arizona Electric Power Cooperative, Inc., Benson, Arizona

Provides power to more than 147,000 electric meters and 350,000 people in Arizona, California, and New Mexico.

Basin Electric Power Cooperative, Bismarck, North Dakota

Serving more 120 member systems that provide power and services to 2.9 million consumers in parts of North Dakota, South Dakota, Wyoming, Colorado, Minnesota, Iowa, Nebraska, Montana, and New Mexico.

Edison Electric Institute, Washington, D.C.

The Edison Electric Institute (EEI) is the association that represents all U.S. investor-owned electric companies. EEI members provide electricity for 220 million Americans, operate in all fifty states and the District of Columbia, and directly employ more than 500,000 workers.

Lafayette Utilities System, Lafayette, Louisiana

Providing quality electric, water, and wastewater service to consumers in Lafayette, Louisiana.

Lincoln Electric System, Lincoln, Nebraska

Services approximately two hundred square miles within Lancaster County in Nebraska, comprising the cities of Lincoln, Prairie Home, Waverly, Walton, Cheney, and Emerald.

Missouri River Energy Services, Sioux Falls, South Dakota

Providing power and other energy services to fifty-nine municipally-owned and operated electric utilities in Iowa, Minnesota, South Dakota, and North Dakota.

Municipal Electric Authority of Georgia, Atlanta, Georgia

Generation & Transmission provider to 49 municipal systems throughout Georgia.

National Propane Gas Association (NPGA), Washington D.C.

The national trade association of the U.S. propane industry with a membership of approximately 2,800 companies in all 50 states, which also includes 38 affiliated state or regional associations and members in 19 foreign countries.

National Rural Electrical Cooperative Association, Arlington, Virginia

NRECA is the national service organization for more than 900 not-for-profit rural electric cooperatives and public power districts providing retail electric service to more than 42 million consumers in 47 states and whose retail sales account for approximately 12 percent of total electricity sales in the United States.

Nebraska Public Power District, Columbus, Nebraska

NPPD serves more than an estimated 530,000 Nebraskans with retail or wholesale electric power and energy-related services: 38 municipalities and 23 public power districts and/or cooperatives and 79 communities, consisting of more than 92,000 customers.

Salt River Materials Group, Scottsdale, Arizona.

SRMG is the only Native American-owned producer of portland cement in the U.S. It is a major manufacturer and marketer of sand and gravel and recycled coal combustion products (fly ash) and pozzolans throughout Arizona, California, Colorado, Nevada, New Mexico, Texas, and Utah.