



**For Immediate Release:**  
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## **FRCA Praises Introduction of Rail Shipper Fairness Act**

WASHINGTON, D.C. – The Freight Rail Customers Alliance (FRCA) praised today’s introduction of the Rail Shipper Fairness Act by Senator Tammy Baldwin (D-WI).

“This legislation builds upon the reforms to the Surface Transportation Board (STB) made by Congress when it reauthorized the STB in 2015,” said FRCA President David Sauer, who is also chief operating officer and senior vice president of Dakota Gasification Company (Dakota Gas), Bismarck ND, a subsidiary of Basin Electric Power Cooperative.

The bill is similar to legislation introduced by Sen. Baldwin in the previous 114th Congress. The new legislation focuses on improving the STB’s existing processes when determining rate reasonableness, recognizes that a carrier still has market dominance under a duopoly, and allows competitive switching within 100 miles.

“Sen. Baldwin’s legislation would also positively reinforce current proceedings before the STB on rate reasonableness, expediting rate cases, and competitive switching” said Ann Warner, FRCA’s Executive Director.

The Rail Shipper Fairness Act would improve:

- ✓ Rail service by: requiring rail service to be efficient and reliable; clarifying STB authority to address service emergencies for shipments moving under contract; and expanding fines and equitable damages that railroads can be forced to pay for poor service.
- ✓ Rail competition by: allowing competitive switching for interchanges within 100 miles; removing the presumption that market dominance cannot exist when a shipper is served by two carriers; and revising rail transportation policy to reflect shipper priorities in addition to railroad priorities.
- ✓ Reasonable rate standards by: suspending collection of rate increase while a rate case is pending; requiring use of market-based revenue methodology in stand-alone rate cases; shifting the burden of proof to railroads in stand-alone cost cases; and eliminating the qualitative market dominance test.

The bill would prohibit railroads from computing fuel surcharges in a way that does not correlate with actual fuel costs, and remove the revenue adequacy test and cap railroad cost of equity at a reasonable level.

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### **Freight Rail Customer Alliance**

An umbrella membership organization, FRCA includes large trade associations representing more than 3,500 electric utility, fuel suppliers, agriculture companies and their consumers. Through a growing coalition of industries and associations, the mission of FRCA 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](http://www.railvoices.org)