



Freight Rail Customer Alliance

April 20, 2020

VIA EMAIL

The Honorable Richard Shelby, Chairman
U.S. Senate
Senate Appropriations Committee
S-218, The Capitol Building
Washington, DC 20510

The Honorable Patrick Leahy, Ranking Member
U.S. Senate
Senate Appropriations Committee
S-146A, The Capitol Building
Washington, DC 20510

The Honorable Susan Collins, Chairwoman
Transportation, Housing & Urban Development,
and Related Agencies Subcommittee
Senate Appropriations Committee
184 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Jack Reed, Ranking Member
Transportation, Housing & Urban Development,
and Related Agencies Subcommittee
Senate Appropriations Committee
125 Hart Senate Office Building
Washington, DC 20510

Dear Chairs Shelby and Collins, and Ranking Members Leahy and Reed:

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 companies, and their customers – thanks you and your Senate Appropriation Committee colleagues for continuing to support freight rail shipper issues.

In particular, FRCA thanks you and your colleagues for providing \$37.1 million for the Surface Transportation Board (STB or Board) in the Fiscal Year (FY) 2020 appropriations law and related report language. The language in S. 2520 (S. Rpt. 116-109) which carried over into the final version, encourages the Board to continue:

- 1) moving on regulatory proceedings in a timely and decisive regulatory fashion;
- 2) utilizing existing authority to address ongoing service problems facing freight rail shippers; and,
- 3) evaluating a possible enhanced utilization of cost-benefit analysis (CBA) taking into consideration that the STB may not have the adequate staffing or expertise to undertake such an extensive assessment for all of its rulemaking proceedings especially at the expense of other pending proceedings.

First for FY 2021, FRCA requests that you provide, at a minimum, the \$37.5 million as recommended by President Trump in the Administration's FY 2021 Budget.

The STB needs to have adequate annual appropriated funds in order to provide necessary and effective oversight of our country's growing reliance on freight rail. 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. Freight rail also enhances our global competitiveness.

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. Of continued particular importance is adequate funding for the STB to enhance its outdated information technology systems. 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 a railroad's level of service and performance.

STB is making positive strides in improving its data collection and distribution processes. The requested funding level will allow the STB to comply with the transparency requirements of the **STB Reauthorization Act of 2015** while providing all industry stakeholders with timely data in a usable format.

Second, FRCA requests that the current FY 2020 corresponding report language carry over into the FY 2021 appropriations measure. Although progress continues to be made especially with the STB moving on some major proceedings, the challenges and concerns relayed in this report language remain: 1) STB not having a full complement of Board Members; 2) freight rail service problems adversely impacting shippers; and, 3) industry pressure to utilize a greater use of CBA.

Your ongoing commitment to the STB, by appropriating these necessary funds and incorporating the corresponding report language, is greatly needed. Thank you for your continued leadership and consideration.

Sincerely,



Ann Warner
FRCA Spokesperson

cc: Senator Lamar Alexander
Senator Roy Blunt
Senator John Boozman
Senator Shelley Moore Capito
Senator Lindsay Graham
Senator John Hoeven
Senator Steve Daines
Senator Patty Murray
Senator Dick Durbin
Senator Dianne Feinstein
Senator Chris Coons
Senator Brian Schatz
Senator Chris Murphy
Senator Joe Manchin
Senator Tammy Baldwin
Shelley Sahling-Zart, FRCA President

About FRCA

An umbrella membership organization, the Freight Rail Customer Alliance (FRCA) includes large trade associations representing more than 3,500 electric utilities and companies, and agriculture, chemical, and alternative fuel 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



Freight Rail Customer Alliance

Freight Rail Customer Alliance Members

American Public Power Association, Washington, D.C

The American Public Power Association (APPA) is the service organization for the nation's more than 2,000 community-owned electric utilities. Collectively, these utilities serve more than 48 million Americans in every state except Hawaii.

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.

Dairyland Power Cooperative, LaCrosse, Wisconsin

A generation and transmission cooperative (G&T) that provided the wholesale electrical requirements for 25 electric distribution cooperatives and 20 municipal utilities in Upper Midwest: Wisconsin, Iowa, Minnesota, and Illinois.

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 50 states and the District of Columbia, and directly employ more than 500,000 workers.

Electric Cooperatives of Arkansas, Little Rock, Arkansas

Electric distribution cooperatives that provide power to service areas covering more than 60 percent of the land area in Arkansas, including more than 500,000 homes, farms and businesses.

Lafayette Utilities System, Lafayette, Louisiana

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

Lincoln Electric System, Lincoln, Nebraska

Services approximately 200 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.

North Carolina Electric Membership Corporation, Raleigh, North Carolina

Supplying power to more than 2.4 million people in 27 cooperatives throughout North Carolina.

Western Fuels Association, Westminster, Colorado

Western Fuels Association (WFA) is a not-for profit cooperative that supplies coal and transportation services to consumer-owned electric utilities throughout the Great Plains, Rocky Mountains and Southwest regions of the United States.