



Freight Rail Customer Alliance

July 31, 2018

Senator John Thune, Chairman
Senate Commerce, Science
and Transportation Committee
U.S. Senate
512 Dirksen Senate Office Building
Washington, DC 20510

Senator Deb Fischer, Chairwoman
Surface Transportation and Merchant Marine
Infrastructure, Safety and Security Subcommittee
Senate Commerce, Science
and Transportation Committee
U.S. Senate
427 Hart Senate Office Building
Washington, DC 20510

Senator Bill Nelson, Ranking Member
Senate Commerce, Science
and Transportation Committee
U.S. Senate
512 Dirksen Senate Office Building
Washington, DC 20510

Senator Gary Peters, Ranking Member
Surface Transportation and Merchant Marine
Infrastructure, Safety and Security Subcommittee
Senate Commerce, Science
and Transportation Committee
U.S. Senate
427 Hart Senate Office Building
Washington, DC 20510

Dear Senators Thune, Nelson, Fischer and Peters:

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 – strongly supports the confirmation of Mr. Martin Oberman (D) of Illinois to serve as a Member of the Surface Transportation Board (STB or Board).

Thanks to your collective leadership, the ***STB Reauthorization Act of 2015 (Act)***, P.L. 114-110, marks the first time since 1998 that the Board was reauthorized. The reauthorizing law: (1) provides much-needed reforms to the Board's process to address numerous historical shortcomings experienced by the Board and industry stakeholders; (2) improves the Board's transparency; (3) helps the Board to operate more expeditiously and efficiently; and (4) better enables the Board to strike a more equitable balance among the interests of its diverse stakeholders. The ***Act*** also expands the size of the Board from three Members to five Members to allow the agency to become more functional and collaborative.

Our country's ever-growing reliance on freight rail commands the Board to provide necessary and effective oversight, especially considering only four Class I railroads control 90% of our nation's freight rail traffic. Freight rail is a vital component of our nation's economy. Farmers rely on rail both for fertilizer to grow their crops and to deliver those crops to market, and coal-burning utilities and propane suppliers rely on rail to receive the fuel they need to serve their customers. Freight rail also enhances the growth of our economy and our global competitiveness.

Mr. Oberman's experience serving as chairman to the Chicago Metra Board of Directors offered him the unique opportunity to learn first-hand how important the rail system is to our nation's overall economy. During his tenure, he also gained important insight into how all elements of the rail industry have to work smoothly together – including recognizing the interests and priorities of each stakeholder.





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During the Commerce Committee's nomination hearing last week, Mr. Oberman stated his commitment to implementing the *Act* and approaching all matters before the Board in a bi-partisan, cooperative, and balanced manner. FRCA welcomes Mr. Oberman's contributions towards identifying and achieving workable solutions to expedite rate cases – just one of the directives outlined in the *Act* – and utilizing the Board's existing authority to examine and help solve problems that typically arise among shippers and rail carriers.

There are several major pending proceedings before the Board – some going back decades – that involve the most substantive issues of great importance to the Board, shippers, railroads, and the general public. They are technical, complex, and challenging – requiring resolution to reflect today's market conditions and freight rail demands. FRCA looks forward to Mr. Oberman's pledged untethered and cooperative style when dealing with these major proceedings including but not limited to Revenue Adequacy Considerations, Rate-Reasonableness Standards and Expediting Rate Cases, Commodity Exemption, and Competitive Switching.

FRCA views Mr. Oberman as an appropriate Democratic nominee to serve as Member of the STB and welcomes his swift confirmation.

Thank you for your continued leadership and commitment in realizing a full complement of Members to the Board as soon as possible.

Sincerely,

Ann Warner LLC
Spokesperson for FRCA

cc: Members of the Senate Commerce, Science and Transportation Committee

About FRCA

An umbrella membership organization, the 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. 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
