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STB EXTENDS TEMPORARY REPORTING PERIOD FOR CLASS I CARRIERS

The Surface Transportation Board today issued an order extending the temporary reporting period for all Class I carriers for six months and requires certain updated information from BNSF Railway Company, CSX Transportation, Inc., Norfolk Southern Railway Company, and Union Pacific Railroad Company (collectively, the Four Carriers). The Board directs the Four Carriers to continue to submit biweekly service progress reports for an additional six-month period, until May 5, 2023. The Board also directs all Class I railroads to submit weekly performance data during this period.

On April 26 and April 27, 2022, the Board held a public hearing on the recent significant performance deterioration of the freight rail industry. At the hearing, the Board heard compelling testimony from shippers, labor witnesses, and others about the severity and dire impacts of substandard rail performance. The Board also heard testimony from BNSF, CSX, NSR, and UP about the causes, extent, and likely duration of service disruptions, and their remedial initiatives.

In response to the extensive problems described at the hearing, on May 6, 2022, the Board issued an order requiring the Four Carriers, the largest U.S. railroads, to file service recovery plans that would specifically describe their key remedial initiatives and promote a clearer vantage point into operating conditions on the rail network.

The most recent data show that the Four Carriers are currently meeting some of their six-month targets for service improvement, and many key performance indicators are trending in a positive direction. However, the data continue to validate the anecdotal information that continues to be reported to the Board regarding significant service issues. Key performance indicators, such as velocity, terminal dwell, first-mile/last-mile (FMLM) service (i.e., industry spot and pull), operating inventory, and trip plan compliance show that railroad operations remain challenged generally, and particularly when compared to pre-pandemic 2019 levels. Accordingly, continued monitoring is needed.

Although not all Class I carriers are experiencing service problems to the same degree, the U.S. rail system is an interconnected network and problems in one geographic area can quickly spread elsewhere. The application of certain reporting requirements to all Class I carriers allows the

Board to assess the current service issues across the entire rail network. All Class I carriers must also continue to submit monthly employment data in this docket, as described in the May 6 Order. Specific instructions for Class I carriers and analysis of recent data are in the full decision, linked below.

Today's decision in <u>Urgent Issues in Freight Rail Service—Railroad Reporting</u>, Docket No. EP 770 (Sub-No. 1), may be viewed and downloaded here and today's decision may be viewed and downloaded <u>here</u>.

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