

MEETING MINUTES
Passenger Rail Advisory Committee (PRAC) Meeting No. 3
Tuesday, May 6, 2025
Surface Transportation Board (STB) Headquarters
9:00 a.m. to 3:15 p.m.

I. Call to Order by the Designated Federal Official (DFO)

Brian O’Boyle, STB DFO, called the meeting to order at 9:00 a.m.

II. Remarks by the Board Members

Board Chairman Fuchs advised the PRAC that:

- The STB is undergoing re-organization with a goal to implement a faster and flatter structure that is data driven and streamlined in its structural processes and procedures to allow flexibility to meet the needs of the public.
- Board Vice Chairman Schultz will conduct listening sessions in mid/late May regarding legal processes and procedures. PRAC members are encouraged to participate.
- Reminded PRAC members that in their subcommittees and deliberations they should focus on action items that the STB can take within its mandate.

III. Introduction of New PRAC Committee Member

D.J. Stadtler, Virginia Passenger Rail Authority, was briefly introduced as the newest member of the PRAC in the “States that Fund Passenger Rail” category.

IV. Organizational Remarks by PRAC Co-Chairs

PRAC Co-Chairs:

- Reminded PRAC members of the importance of identifying solutions that are within the mandate of the STB.
- Commented that the subcommittee structure is proving to be effective, with each group meeting and working through the subject matter areas they have been assigned to them.

V. Subcommittee Updates and Discussion

1. Joint Operations Subcommittee Report

Member Padgett reviewed the Joint Operations Subcommittee Report and stated that the subcommittee had identified the need for expertise to solve some of the common issues throughout the industry and that reauthorization is key on everyone’s mind. The Joint Operations Subcommittee identified the following areas of focus:

Freight and Passenger Rail Coordination: Explore examples, both domestic and international where expansion and joint operations have succeeded and where they have not. Specifically, focus on cases where service over existing freight corridors has been maintained while balancing the needs of passenger rail, compliance with the Railway Labor Act (RLA), and the protection of existing investments in passenger rail.

Member Padgett stated that good examples to review are Capitol Corridor (Amtrak-Union Pacific) and Germany.

PRAC Co-Chair Derwinski noted that Chicago is a good major national railway network example for expansion of capacity and protection of existing network. He specifically noted the CREATE project and the Chicago Integrated Rail Operations Center (CIROC).

Board Chairman Fuchs asked if there would be a particular emphasis on schedule development and what leads to successful schedule development.

Member McClellan stated that the best launches tend to be where the schedule issues are worked out up-front and allow for flexibility.

Member Stadtler stated that there needs to be flexibility to amend the schedules six months later.

Member Black agreed that establishing schedules up-front is important in order to address on-time percentage (OTP) issues. He also noted that there has been no real effort to utilize AI for scheduling and emphasized that calibrating the model against the real-world conditions is critical.

Board Chairman Fuchs stated that there are limitations with RTC (Rail Traffic Controller).

Member McClellan noted that his company (NS) has used RTC to implement 18 passenger routes using the existing freight plan as a base. The biggest debate with this modeling is predicting future growth.

Member Cumber stated that there is a conflict between public entities and freight carriers when it comes to planning; the public entities only look at the minimum amount of capacity needed while freight carriers look at what the line will look like on the worst day on the system.

Member Mathews noted that there has been very little innovation in modeling and that RTC has been the model. He stated that we need predictive flows similar to aviation models and that AI is not the answer – it is wrong 40% of the time.

Member Blair stated that the problem is the risk of being wrong. Specifically, once the schedule is established and the service has started, it's hard to take it away or even modify it.

PRAC Co-Chair Derwinski, stated that billions of dollars have been invested in Positive Train Control (PTC) so that RTC doesn't matter so much anymore. He queried that we should consider how to leverage this technology to the betterment of the entire network.

PRAC Co-Chair Posner stated that looking at European modeling could be a red herring because Europe has smaller networks. He questioned if RTC is the model of choice or just by default.

Member Smith stated that there must be transparency on inputs that go into the modeling. On the Gulf Coast Route there was disagreement on the inputs, particularly pertaining to the moveable bridges.

Member Stadtler stated that VRPA looks over the shoulder of CSX and NS when choosing the inputs, which has worked well.

Board Vice Chairman Schultz asked how long it takes to make a scheduling change. Member Blair responded that it can be done in a matter of days. This is why Amtrak does not maintain fixed schedules. However, the problem is if passengers book months in advance based on expected arrival times.

Paul Nissenbaum (FRA) stated that perhaps a focus should be on identifying collaborative incentives that can be created, and using examples where optimization has been successful.

Co-chair Posner noted that the former Soviet network represents an extreme emphasis on redundancy and resiliency.

Management of Daily Operations and On-Time Performance: Focus on attribution and accountability for delays. The current process places too much administrative burden on attributing delays and contains flaws in how delays are attributed. Also, ensure alignment between public delay communications and internal processes. There was a discussion of whether there are more effective methods of attributing delays than relying solely on conductor reports.

Capital Investment and Project Delivery: Focus on identification of capital improvements required for service expansion and streamlining of environmental rules.

Paul Nissenbaum stated that FRA will be focusing on assignment of National Environmental Policy Act (NEPA) to states where it makes sense to speed up project delivery.

Organizational/Structural Service Delivery: Explore opportunities to open market to alternative operators other than public sector commuter railroads.

Potential Role of STB: There is a need to establish efficient forum to resolve conflicts in early stages of dispute, short of formal STB proceeding. The STB process for obtaining terms and conditions of access should also be streamlined. Consider the use of an informal dispute resolution process (i.e., Rail Customer & Public Assistance) for passenger service.

2. Expansion of Service Subcommittee Report

Member Edelman provided an overview of the Current State Subcommittee Summary Report and emphasized a desire to ensure that there is support for ensuring “traditional” railroad work is done by RLA-covered railroad employees.

PRAC Co-Chair Posner noted that a national equipment leasing pool is being considered and suggested that the subcommittee explore what Europe is doing in this regard, such as the establishment of ROSCOs (Rolling Stock Companies).

There was significant discussion and concurrence amongst PRAC members that one of the biggest challenges to new or expanded service is the unavailability of railroad equipment and that this is partially the result of a fragmented and unpredictable market that discourages suppliers.

Member Baxter asked whether current and future Amtrak rolling stock acquired by the federal government could potentially be made available to others to participate in. Member Black noted that standardization of equipment would be an important aspect of a national equipment pool.

Member Padgett stated that equipment is a barrier to existing and expanding service and therefore perhaps falls within the purview of the STB.

Discussion of ways to expand capacity without adding infrastructure. Member McClellan emphasized the importance of selecting viable corridors and allowing freight hosts to have input on which routes would be best. He noted that routes with declining traffic are often better candidates. Member Stadtler noted that when a freight host is adamantly opposed, it is often best to look for an alternate route.

3. Liability Subcommittee Report

Member Baxter provided an overview of the Liability Subcommittee Summary Report noting that railroad liability is a complex issue that has necessitated that the subcommittee invite in subject matter experts to inform the committee. Members noted that access to liability insurance and related indemnity issues acts as a barrier to entry for new or expanded service, and to new operators.

Discussion topics included:

- National insurance pool; Amtrak currently has a national insurance policy
- Insurance statutory cap is set to increase with inflation next year
- Insurance capacity is with foreign insurance carriers – all insurance dollars are going offshore instead of being reinvested domestically
- Indemnification provisions and limiting the risk to the host railroad for running tenant passenger/intercity rail
- Whether a national framework that allows for federal oversight and preemption as it relates to passenger operations should be considered

Board Member Hedlund asked how the California High-Speed Rail is addressing liability, since it is a state agency subject to STB jurisdiction.

PRAC Co-Chair Posner asked whether Amtrak could be empowered to sell insurance to others.

Member McClellan noted another issue is liability at stations.

Paul Nissenbaum, FRA, queried whether economies of scale could be considered and working with Amtrak as a “franchising authority” for equipment pool, insurance, and access issues.

Board Chairman Fuchs noted that Amtrak is exempted from most statutes of the Board and is not subject to most STB jurisdiction as a common carrier which typically assigns Amtrak rights v. obligations.

PRAC Co-Chair Derwinski noted that airlines are backed by the federal government and that perhaps could be a model to explore for railroads. He further noted that railroads did not get any credit for implementing PTC.

The subcommittee anticipates submitting a draft recommendation report will be made to the full PRAC at the September meeting.

4. Current State Subcommittee Report

Lucy Shaw, substituting for Member Regan, AFL-CIO Transportation Trades Department, provided an overview of the Current State Subcommittee Report.

5. Subcommittee Reports – Concluding Discussion

PRAC Co-Chairman Posner reminded of PRAC’s mission is to provide specific recommendations to STB with a goal to advance passenger rail nationwide.

Several members remarked that common themes are emerging from the Subcommittees, such as:

1. Equipment pool program
2. Federal insurance pool program and liability caps
3. On-time performance and project delivery measures/incentives
4. Level Setting: Start with what has worked and what hasn’t
5. More private sector participation and entry into the market
6. Best practices from other countries

Member Perry emphasized that the subcommittees should prioritize what would be helpful to the Board and identify areas where the Board can provide support within its purview.

Board Chairman Fuchs emphasized that any recommendations made to the STB must tie back to its statutory authority in order for the STB to take any action. He encouraged PRAC members to consider the terms of engagement and what role STB could play, noting that the dispute resolution is a key element of the STB’s authority.

Board Chairman Fuchs outlined the following categories for PRAC to consider when developing recommendations to advance to the Board for consideration:

1. Administration Management: Administrative staff allocation for more immediate action (e.g. informal mediation of disputes)
2. Case Management: Over-the-shoulder discussions; guidance documents, Q&As
3. Future State – Policy: Activity that would require policy changes or changes outside of the Board’s authority

Member Nissenbaum suggested that any “future state” and/or policy recommendations the PRAC may identify could be directed to other agencies for consideration, such as the FRA.

The DFO reminded PRAC that Subcommittees make recommendations to the full PRAC, and the full PRAC makes recommendations to the Board. All final recommendations will be advanced from the full PRAC after an opportunity for consideration and deliberation.

VI. Administrative Matters

A. Approval of the Oct. 2024 Meeting Minutes

The PRAC unanimously approved the October 16, 2024 Meeting Minutes.

B. Approval of the Feb. 2025 Meeting Minutes

The PRAC unanimously approved the February 11, 2025 Meeting Minutes.

C. Public Comment

The PRAC reviewed and considered written public comment received from Steven Connolly (attached as **Exhibit A**). The PRAC determined that an acknowledgement of receipt would be sent by the DFO.

VII. Potential Agenda Items for September PRAC Meeting

1. New Government Policies or Legislation Impacting STB and PRAC
2. Guidance Regarding Future Nominations/Applications to Serve on PRAC from Chairman Fuchs: DFO noted that those who were appointed for 2-year terms will continue to serve until March 2026. He further stated that Chairman Fuchs has the authority to extend appointments without a call for new nominees.
3. PRAC 2026 Proposed Schedule
4. Ethics Training for New Members

VIII. New and/or Alternate Members

1. Jim Riley, Railway Supply Institute, will replace Patty Long.
2. Maux Sullivan, Colorado DOT, participated as alternate for Shoshanna Lew

3. DJ Stadtler, Virginia Passenger Rail Authority, was selected to fill the vacant position in the “States that Fund Passenger Rail” category (DFO reminded members that Member Stadtler needs a subcommittee appointment)
4. Lucy Shaw, AFL-CIO Transportation Trades Department, participated as alternate for Greg Regan

IX. Discussion of Possible Field Trip to Chicago

PRAC discussed the possibility of a field trip to Chicago to visit METRA/CSX/Iowa Interstate Railroad as a way to see a blend of commuter rail, future intercity rail and freight. The timing could be between August – October 2025.

The Board will discuss whether the September Board meeting could be combined with the field trip to take place in Chicago as one option.

PRAC Co-Chairmen advised that further information would be forthcoming.

X. Closing Remarks by the Board Members

Board Member Hedlund expressed appreciation for the work of the committee and stated that she believes the PRAC is poised to produce results.

Board Vice Chairman Schultz acknowledged and thanked the PRAC for time spent outside of the meeting time on the issues and expressed appreciation for the thought-provoking issues that were raised.

Board Member Primus thanked the PRAC for a great dialogue and echoes what others have said.

Board Chairman Fuchs expressed his gratitude and stated that the PRAC’s work, and discussion has been “extraordinarily thought provoking.”

XI. Adjournment by the DFO

The meeting was adjourned at 2:18 p.m.