
RAILROAD-SHIPPER TRANSPORTATION ADVISORY COUNCIL

WASHINGTON, DC

2018 ANNUAL REPORT

JANUARY 2, 2019

Pursuant to Section 726 of the ICC Termination Act (ICCTA), the Chair of the Surface Transportation Board (STB) in mid-1996 announced the formation of the Railroad Shippers Transportation Advisory Council (RSTAC). As required by Section 726(f) (4) of the ICCTA, RSTAC submits its Annual Report for 2018.

1. Membership

The following individuals were the appointed members of the 15-member RSTAC for 2018, listed by category each represents:

Small Railroad (Four Voting Members):

Mark Wegner, Twin Cities & Western and Red River Valley and Western Railroad Companies

Lawrence Malski, Pennsylvania Northeast Regional Railroad Authority

Nathan Asplund, Florida East Coast Railway

Michael Peters, Genesee & Wyoming Railroad Services, Inc.

Small Shipper (Four Voting Members):

Paul Hoben, Carolina Stalite Company who was replaced by Paul Delp, Landsdale Warehouse Co.

Wayne Hurst, Agricultural Producer

Matthew Brainerd, Brainerd Chemical, Inc.

Kevin Murray, Red Gold, Inc.

Large Railroad (Three Non-Voting Members)

Kenny Rocker, Union Pacific Railroad who was replaced by Kari Kirchhoefer, Union Pacific Railroad

Mike Bilovesky, Kansas City Southern Railroad

Tim McNulty, CSX

Large Shipper (Three Non-Voting Members)

Terrence McDermott, Bunge North America

Robert Byrd, Nucor Corporation

Jeanne Sebring, International Paper

At-Large (One Voting Member)

Brandy Christian, Port of New Orleans

Ex-Officio Members

The Honorable Ann Begeman, Chairman, Surface Transportation Board, Deb Miller, Vice Chairman, Surface Transportation Board, Stephen O'Connor, Federal Railroad Administration, representing The Honorable Elaine Chao, Secretary U.S. Department of Transportation.

RSTAC Officers for 2018 effective after the November 2017 meeting:

Larry Malski, Chairman

Wayne Hurst, Vice Chairman

Nathan Asplund, Secretary/Treasurer

2. RSTAC Meetings

The Council met four times in 2018. The meeting dates are as follows for the year 2018 and the minutes for each meeting are attached hereto and made a part hereof.

February 28 and March 1, 2018

May 1 and May 2, 2018

August 8 and 9, 2018

October 23 and 24, 2018

3. RSTAC Achievements in 2018

- RSTAC maintained a keen focus on its 'Role' and Mission Statement giving a voice to small and large industry as well as railroads and their role in their respective communities.
- RSTAC continued personal visits to the 'Hill' to discuss with Senate Commerce and the House Transportation and Infrastructure Committee important issues to the railroads and shipping community.
- An RSTAC field trip to New Orleans hosted by the New Orleans Port Authority allowed the STB Commissioners and the RSTAC members to meet and discuss the myriad of issues between shortlines, Class I's, large and small shippers and port authority operations concerns and successes.
- Obtained input from the American Shortline Railroad Association to provide regular updates on important issues to small railroads and their customers.
- Monitored the progress of PTC which is required the end of 2018. This issue has required billions of dollars in investment and will impact industry everywhere – costs as well as service.
- Equipment supply is also very important to the shortline railroad industry as well as numerous shippers and we were updated on current inventory and featured presentations by car owners to provide insight on this critical issue of car supply to the industry especially boxcar supply future projections.

4. Future Plans

- RSTAC will continue to pursue its charge by following the Mission Statement of the Council that states:

“To work together as a council of rail advocates on a common goal to strengthen the national rail industry, improve service levels and foster mutually beneficial relationships

between large and small railroads and shippers across all commodity groups. To that end, we will address improvements in the primary issues of capacity constraints and the evolution of the merchandise carload network including the elements that impact them and bring forth recommendations for improvements.”

- RSTAC Members will strive to meet this mission by:
 - Applying the diversity of the RSTAC Council to fairly and openly address small shipper/railroad concerns; being accessible to shippers, communities and elected officials; monitoring and discussing the issues; and providing knowledge and education wherever possible.
 - Encouraging shippers and railroads to improve communications toward a goal of improved customer satisfaction.
 - Focusing on discussion/problem solving for concerns that impact the access of shippers to a viable, healthy and stable rail transportation option to meet market demands.
 - Consider recommendations regarding rail policy and the STB’s role to create more effective oversight of the domestic rail network.
 - Continue interaction with Congress and maintaining outreach to all parties with an interest in a vibrant rail network.