

**Meeting Minutes
Surface Transportation Board
Rail Energy Transportation Advisory Committee
March 14, 2013**

The Surface Transportation Board’s (STB) Rail Energy Transportation Advisory Committee (RETAC) convened at the STB headquarters in Washington, D.C., on Thursday, March 14, 2013. Co-Chair Susan Arigoni called the meeting to order at 9:00 a.m. The meeting agenda and copies of referenced documents presented during the meeting are attached to the e-mail distributing these minutes. This information is also available on the STB website.

Attendance:

Surface Transportation Board:

Daniel R. Elliott III, Chairman
Ann D. Begeman, Vice Chairman
Francis P. Mulvey, Board Member

Scott Zimmerman, Designated Federal Officer
Reamy Ancarrow, Chief Counsel to the Chairman
Jeffrey Komarow, Office of the General Counsel
Chris Oehrle, Office of the General Counsel

Federal Railroad Administration:

Scott Greene

U.S. Department of Agriculture:

Bruce Blanton

RETAC Members:

Susan Arigoni, Co-Chair

Stevan Bobb	Robert Hulick	Russ Epting - representing Henry Rupert
Robert Gabbard	John Hull	Scott Banister - representing Daniel Sabin
Amy Goodman	Mark Huston	John Carr – representing William Berg
John Gray	Lee Johnson	
Darryl Haack	Darin Selby	
Mark Hamilton	Kent Smith	
Brad Hildebrand	Beth Whited	

Chairman Elliott, Vice Chair Begeman and Commissioner Mulvey welcomed the members, thanking the members and the presenters for their service to RETAC.

Co-Chair Arigoni remarked that with the increased transportation of crude oil and related products, several new members with experience in these markets will be joining the committee.

Minutes of the September 20, 2012 meeting were approved.

Secretary / Treasurer Hulick reported current available funds to be \$1,191.30.

Co-Chair Arigoni introduced new RETAC members:

- Amy Goodman – City Utilities of Springfield, Mo.
- Kareen Gray – GE Capital Rail Services
- Brad Hildebrand – Cargill
- Lee Johnson – Hess Corporation
- Christopher Marsh – CONSOL Energy Sales
- Beth Whited – Union Pacific Railroad

Jeffrey Komarow and Chris Oehrle of the Board’s Office of the General Counsel presented a Rules and Antitrust Compliance review for the committee.

RETAC member Darin Selby provided a Performance Measures Review – copy attached.

RETAC member representative Russ Epting provided the Railroad Segment update stating that fluidity is excellent, train speeds and cycle times are improving, railroad-owned car supply is adequate and there are no other constraints. Traffic levels for coal transport were deemed moderate. Additional comments by other RETAC representatives linked current performance levels to capital investments, workforce expansion and a balanced regulatory environment.

RETAC Co-Chair Arigoni presented the Utilities Segment update – copy attached.

RETAC member Kent Smith presented the Mines Segment update – copy attached.

RETAC member Brad Hildebrand presented the Ethanol Segment update – copy attached.

RETAC member, Robert Hulick provided a Railcar Segment update including Economic Planning Associates’ (EPA) forecast for tank car production; American Railway Car Institute’s (ARCI) backlog and historic tank car production numbers; and, comments from Rail Theory Forecasts LLC.

	2011	2012	2013F	2014F	2015F	2016F	2017F	2018F
EPA Tank Car Production Units	8,727	17,666	25,000	28,000	25,000	22,000	20,000	20,000
ARCI Backlog	60,244 rail cars, 48,206 tank cars (86%)							
Rail Theory Forecast	“30,000 tank cars in crude oil service” “Forecast need is for rail capacity will be 2 million barrels per day by 2014”							

RETAC members Beth Whited and Lee Johnson reported on Domestic Oil Production and Transportation – copy attached.

Jonny Sultoon with Wood Mackenzie reported on Impact of Increasing Export Coal – copy attached.

Roundtable discussion highlighted North American Rail Network Capacity review as a possible topic for future meeting agenda. Focus would be on aggregate capacity increases and decreases as well as lane- and product-specific changes in the rail transportation network.

Next meeting date set for September 19, 2013.

Meeting adjourned at 12:40 p.m.

Respectfully submitted - Robert Hulick, Secretary / Treasurer