



**AMERICAN SHORT LINE AND
REGIONAL RAILROADS**

Connecting America's Communities
Strengthening America's Economy
Protecting America's Environment

Where We Are Today – Short Lines' New Rules

Keith T. Borman

Vice President and General Counsel

American Short Line and Regional Railroad Association

Presentation To

Alabama Railway Association 2009 Annual Meeting

Sandestin, FL

October 5-6, 2009



www.aslrra.org





Rail Industry Carloads 2008 - 2009

Class I's – Short Line Traffic Only

<u>RR</u>	<u>1st Half 2008</u>	<u>1st Half 2009</u>	<u>Variance</u>
BNSF	526,280	435,795	- 17.1%
CN	136,277	100,279	- 26.4%
CP	132,781	112,229	- 15.5%
CSX	481,000	398,300	- 17.2%
KCS	104,466	74,334	- 28.8%
NS	489,128	358,441	- 26.7%
UP	675,000	540,000	- 20.0%



Rail Safety Improvement Act of 2008

- **Positive Train Control** – Implement 2015; RSAC Completed: NPRM 06/09 with Short Line Exemptions; Final Rule '09
- **Hours of Service** – RSAC Completed: Final Rule 07/09; In Effect 07/16/09
- **Bridge Safety Requirements** – RSAC Completed; NPRM 08/17/09
- **Tunnel Requirements** – Implement
- **Grade Crossing Inventory** – Implement 10/16/09
- **1 – 800 ENS** – Implement Within 18 months
- **Risk Reduction Program** – Implement
- **Top 10 States Require Xing Action Plan** – Implement



Rail Safety Improvement Act of 2008 (Cont'd)

- **Dark Territory Switch Technology** – Future RSAC
- **Broken Rail Service Failure Rate** – Study
- **Certify Conductors** – RSAC 07/09 – 12/09; NPRM 03/10
- **Certify Carmen** – Study
- **Sight Distance Law & Regulations at Xings** – Implement
- **Radio Monitoring Authority** – In Effect
- **Civil Penalties \$25K-\$100K** – In Effect
- **800 New FRA Inspectors** – Implement Hiring 2009



“The Big 6” This Year

■ Positive Train Control (PTC)

- Final Rule Will be out This Year – November (?)
- Short Line Exemptions:
 - + SL's can Operate on PTC Equipped Territory Up to and Beyond 20 Miles But Not More than 4X Day
 - + Non PTC Loco can Cross PTC Equipped Territory at Diamonds But Requires Interlocked Split Point Derails
 - + 2020 Requirements – SL Operations Beyond 20 Miles must have PTC Equipped Locomotives
- Short Lines with Passenger and TIH Moves Have Other Considerations

■ Hours of Service (HOS)

- 2 FRA Requests Submitted by ASLRRA:
 - + **Petition for Waiver** – 280 Short Lines Approximately 5,000 Covered Employees (T & E)
 - FRA Response Anticipated Sept. / Oct. 2009
 - + **Petition for Exemption** – 155 Short Lines (974 T & E) With Fewer than 16 Employees
 - FRA Response Oct. / Nov. 2009
- Until FRA Approves Requests New HOS Rules are in Effect



“The Big 6” This Year (Cont’d)

■ Reregulation

- Bottle Neck, Terminal Access, Paper Barriers are Central Components of Reregulation
- Rockefeller Rereg Legislation is Uncertain This Year
- Short Line and Class I Positions were Consistent and Mutually Supportive

■ Antitrust Legislation

- Kohl / Baldwin Legislation (S. 146 / H.R. 233) May be Incorporated into any Senate Reregulation Legislation

■ Short Line Tax Credit

- Expires December 31, 2009
- Extension Efforts Proceeding Well:
 - + 176 House Members are Sponsors of H.R. 1132
 - + 42 Senate Members are Sponsors of S. 461
 - + Short Line Members Engaged in State Delegation “Fly-In” All Summer to lobby Members
- “Extenders Bill” in Nov. / Dec. Looks To Be a Potential Option This Year for our Tax Extension



“The Big 6” This Year (Cont’d)

■ Truck Size and Weights

- Shipa Bill H.R. 1618 – Rep. James McGovern (MA)
- Shipa Bill S. 779 – Sen. Frank Lautenberg (NJ)
- Both Bills:
 - + Freezes Truck Size and Weights on National Highway System to 80K lb Trucks
 - + Freezes Longer Combination Vehicles (LCV)
- Co-Sponsors:
 - + 120 in the House Bill H.R. 1618
 - + 7 in the Senate Bill S. 779
- State TSW Initiatives:
 - + FL – Weight Increase for Cattle Trucks
 - + MA – Pilot Project for 100K lbs in Appropriations Bill Now
- A Truck Size and Weights Bill is Not Expected to Move this Year (?)



Ongoing and Significant (Cont'd)

FRA Rail Safety Advisory Committee (RSAC)

1. Railroad Operating Rules
2. Medical Standards for Train Crews
3. Occupational Noise Standards and Requirements
4. Accident / Incident Reporting Requirements
5. Emergency Call Numbers at Grade Crossings
6. At Grade Crossing Inventory
7. Private Crossings
8. Roadway Worker Protection Rules and Requirements
9. Passenger Safety
10. Rail Integrity
11. Continuous Welded Rail Standards



Ongoing and Significant (Cont'd)

12. Concrete Ties Utilization
13. Bridge Inspection and Maintenance
14. Tunnel Standards
15. Locomotive Standards
16. ECP Brake Specifications and Requirements
17. Pressure Tank Car Specifications
18. Positive Train Control Implementation, Standards, Rules
19. HazMat Risk Assessment / Routing Rules
20. Emergency Escape Breathing Apparatus Requirements and Equipment
- *21. Narrow Band Radio Frequency Change and Equipment

* Not RSAC



www.aslrra.org



American Short Line and Regional Railroads

★ Connecting America's Communities

★ Strengthening America's Economy

★ Protecting America's Environment