



AMERICAN SHORT LINE AND REGIONAL RAILROADS

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

“First Mile-Last Mile”: The Short Lines

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Presentation to
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The Short Line Ops

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Class II / III Safety Performance

2005 – 2009 (January – November)

Year	Employee Hours	Injuries	Fatalities	OSHA Rate
2005	32,340,201	610	4	3.80
2006	33,649,192	636	3	3.80
2007	33,887,113	579	2	3.40
2008	34,170,047	610	3	3.60
2009	29,345,990	441	1	3.00



Rail Industry Carloads 2008 - 2009

Class I's – Short Line Traffic Only

<u>RR</u>	<u>2008</u>	<u>2009</u>	<u>Variance</u>
BNSF	1,247,000	1,060,000	- 15.0%
CN	518,783	406,163	- 21.7%
CSX	955,325	800,391	- 16.2%
KCS	202,682	147,468	- 27.2%
NS	983,959	800,292	- 18.7%
UP	986,166	795,133	- 19.4%

Legislative

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Rail Safety Improvement Act of 2008

1. **Positive Train Control** – Implement 2015; **FRA Final Rule 01/10**
2. **Hours of Service** – RSAC Completed: Final Rule 07/09; **In Effect 07/16/09**
3. **Bridge Safety Requirements** – RSAC Completed; **NPRM 08/ 09; Final Rule 03/10**
4. **Grade Crossing Inventory** – **Completed by 10/16/09; NPRM 2010**
5. **1 – 800 ENS** – Implement Within 18 Months
6. **Risk Reduction Program** – **Final Rule 10/12**
7. **Top 10 States Require Xing Action Plan** – FRA Ongoing
8. **Dark Territory Switch Technology** – Future RSAC
9. **Broken Rail Service Failure Rate** – Study
10. **Certify Conductors** – RSAC 07/09 – 12/09



Rail Safety Improvement Act of 2008 (cont'd)

- 11. **Certify Carmen** – Study
- 12. **Sight Distance Law & Regulations at Xings** – FRA Ongoing
- 13. **Radio Monitoring Authority** – In Effect
- 14. **Civil Penalties \$25K-\$100K** – In Effect
- 15. **800 New FRA Inspectors** – Implement Hiring 2009 – 2010
- 16. **Minimum Training Standards and Plans** – Pending Task Statement Approval



Legislative and Regulatory Focus 2010

■ Positive Train Control (PTC)

- Final Rule Published January 2010
- 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 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 Responded (Dec. 11, 2009 – ASLRRA Waiver Under Consideration)
 - + **Petition for Exemption** – 155 Short Lines (974 T & E) With Fewer than 16 Employees
 - FRA Responded (Dec. 11, 2009 – ASLRRA Petition Under Consideration)
 - FRA Federal Docket Request for Comments – Feb. 3, 2010
- **Until FRA Approves Requests New HOS Rules are in Effect:**
 - **6 and 2; 7 and 3; 276 Hrs. Comingled**



Legislative and Regulatory Focus 2010 (cont'd)

■ Reregulation

- Bottle Neck, Terminal Access, Paper Barriers are Central Components of Reregulation
- Rockefeller Rereg Legislation is Expected This Year
- Short Line and Class I Positions were Consistent and Mutually Supportive – Do Not Like Draft Legislation

■ Antitrust Legislation

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

■ Short Line Tax Credit

- Expired December 31, 2009
- Extension Efforts Proceeding Well:
 - + 252 House Members are Sponsors of H.R. 1132
 - + 53 Senate Members are Sponsors of S. 461
 - + Short Line Members Engaged in State Delegation “Fly-In” All Summer to Lobby Members
- “Extenders Bill” or Estate Tax Bill Could Be Options This Year for our Tax Credit Extension
 - + Passage this Year is Unclear but is Anticipated



Legislative and Regulatory Focus 2010 (cont'd)

■ Truck Size and Weights

- Safe Highways and Infrastructure Preservation Act (SHIPA) Bill H.R. 1618 – Rep. James McGovern (MA)
- Safe Highways and Infrastructure Preservation Act Bill S. 779 – Sen. Frank Lautenberg (NJ)
- **Both Bills:**
 - + Freeze Truck Size and Weights on National Highway System to 80K lb Trucks
 - + Freeze Longer Combination Vehicles (LCV)
- **Co-Sponsors:**
 - + 122 in the House Bill (H.R. 1618)
 - + 8 in the Senate Bill (S. 779)
- **State TSW Initiatives:**
 - + FL – Weight Increase for Cattle Trucks
 - + ME and VT – Pilot Projects for 100K lbs Trucks in Appropriations Bill Now
- Coalition Against Bigger Trucks (CABT) Annual D.C. “Fly-In” Feb. 3, 2010
- A Truck Size and Weights Bill is **Not Expected** to Move this Year (?)

Regulatory

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Ongoing and Significant

FRA Rail Safety Advisory Committee (RSAC)

1. Railroad Operating Rules / Human Factors – Done
2. Medical Standards for Train Crews for Safety Critical Employees – Done
3. Private Crossings – NPRM – Done
4. Roadway Worker Protection Rules and Requirements – Awaiting NPRM – Done
5. Passenger Safety – Ongoing
6. Rail Integrity – Ongoing
7. Concrete Ties Utilization – Ongoing
8. Bridge Inspection and Maintenance – Final Rule 2010 – Done
9. Tunnel Standards – No Immediate Requirements
10. Locomotive Standards – (NPRM at OMB) – Done
11. ECP Brake Specifications and Requirements – Waivers in Effect – No Action Required
12. Positive Train Control Implementation, Standards, Rules – FRA Final Rule Jan. 2010



Ongoing and Significant (Cont'd)

- 13. Conductor Certification – Ongoing
- 14. Minimum Training Standards for Safety Related Railroad Employees – Pending FRA Task Statement Announcement

Other

- *15. Pressure Tank Car Specifications – No Action Required
- *16. Accident / Incident Reporting Requirements – Waiting Final Rule – Ongoing
- *17. HazMat Risk Assessment / Routing Rules – 09/09 – Ongoing
- *18. Emergency Escape Breathing Apparatus Requirements – No Action Required
- *19. Emergency Call Numbers at Grade Crossings – 24-7-365 **Call Centers** – Waiting NPRM – Ongoing
- *20. At Grade Crossing Inventory – 16/10/09 – Done
- *21. Continuous Welded Rail Standards – Final Rule 08/09 – Ongoing

* Not RSAC



Ongoing and Significant (Cont'd)

Other

- *22. Narrow Band Radio Frequency Change and Equipment – FCC Requirement; 07/10 – 01/13 – Ongoing
- *23. Locomotive Horn Testing and Record Keeping – NLT 06/10 – Ongoing
- *24. Risk Reduction – ANPRM 04/10; Final Rule 10/12 – Ongoing
- *25. EPA Locomotive Rules – Ongoing
- *26. URCS – (Uniform Rail Costing System) Ongoing (STB Review and Analysis)

* Not RSAC



Near Term Short Line Legislative and Regulatory Compliance Expenditures

- **Positive Train Control:** \$ – Yet to be Determined
- **Hours of Service:** \$ – Hire More Personnel; Engage in 2 Year Pilot Study
- **Emergency Escape Breathing Apparatus (EEBA):** \$ – 3 Units Mounted in each Loco Cab Moving TIH / Explosives / Radiological?
- **Radio Narrow Banding:** \$ – 12.5 KH Radios for: New Base Stations, Locomotives, Vehicles, Mobile Radios, Antennas, etc.
- **Grade Crossing Inventories and Signage:** \$ – Inventory All Public / Private Crossings. New Signage on all Crossings
- **1 – 800 Call Centers** \$ – Contract for or Hire and Equip a Call Center
- **Bridge Inspections and Reporting:** \$ – Inventory, Inspection, Filing, Load Capacity Determination, Reporting, Design Documents
- **Conductor Certification:** \$ – Train Conductors to Standard
- **Locomotive Horn Testing and Recording:** \$ – Contract for Horn Testing



Near Term Short Line Legislative and Regulatory Compliance Expenditures

- **Medical Standards:** \$ – Yet to be Determined
- **Occupational Noise Standards and Requirements:** \$ – Hire Contractor to test, Record, Maintain Records
- **HazMat Risk Assessment Routing (TSA):** \$ – Evaluate Movement of TIH by Routing Tool, Report and Reroute
- **Security Training, Chain of Custody for TIH (TSA):** \$ – Training
- **New D&A Requirements:** \$ – Testing of All Personnel at Random
- **Training Standards:** \$ – Yet to be Determined
- **Annual Sperry Car Testing:** \$ – Contract for Sperry Car for Short Lines with Commuter / Passenger Service
- **Expedited Control of Locomotive Emissions:** \$ – Yet to be Determined
- **Risk Reduction Program:** \$ – Yet to be Determined



2009 CSX Survey Results

- **5 of 12 Service Areas Improved Over 2008**

- **Highs**
 - * Response Time to Rate Requests
 - * Transit Time
 - * Quality of Cars

- **Needs Attention**
 - * Rate Competitiveness
 - * Interchange Information – Accuracy and Timeliness
 - * Interchange Track Designations and Conditions

* 130 Responses at 61% Needs Attention



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The Voice of America's Independent Railroads