

United States Senate

WASHINGTON, DC 20510

May 23, 2022

The Honorable Martin Oberman
Chairman
Surface Transportation Board
395 E Street SW
Washington, D.C. 20423

Dear Chairman Oberman:

We are very concerned over the significant rail service disruptions occurring throughout the U.S. freight rail network. Reports from rail customers, including our manufacturers, farmers, ranchers and energy producers, indicate reliable rail service is not being provided in many situations. Similarly, shippers have little recourse or alternative options to get their goods to market. In some instances, rail service problems have forced producers to curtail or temporarily stop production altogether. Further accounts of lengthy delays and unpredictable service paint a troubling picture of the conditions our nation's commerce currently faces.

American industries rely heavily on freight rail to get commodities, parts, and products to market, not just in the U.S. but also globally. Rail transportation plays an integral role in our supply chain, and consistent service is vital to preventing further disruptions across the network. It is also critical for mitigating global food insecurity. If these problems persist into summer and fall, significant portions of the world's breadbasket could be cut off from assisting those most in need, yielding waste rather than solutions. The same applies to the transport of critical energy supplies in high demand across the United States and the globe. Each day, the refining and electricity sectors rely on rail to provide shipments of fuel sources from all across the continent. At a time when global demands are high, domestic supplies must not be constrained by these hurdles and shortcomings.

We appreciate your holding a hearing last month on Urgent Issues in Freight Rail Service and the Board's continued attention on the issue by requiring Class I railroads to submit service recovery plans as well as provide additional data and regular progress reports on rail service, operations, and employment. We are particularly concerned by service issues raised by rail customers and labor organizations, including:

- Agricultural producers and grain shippers have been unable to get empty railcars, leading to significant delays in delivering commodities. In particular, such delays have caused flour and feed mills to temporarily cease operations, cutting off sales to customers. As a result, livestock operations have been forced to ration feed or find alternative feed options, putting the well-being of livestock at risk. In addition, at grain export destinations, vessels must wait to be loaded due to delayed train delivery.¹

¹ Surface Transportation Board, Hearing on Urgent Issues in Freight Rail Service, Docket No. EP 770. (2022) (Testimony of Michael Seyfert, National Grain and Feed Association).

- Energy producers may need to curtail production due to the consistently delayed arrival of railcars, citing delays of roughly two weeks;²
- Energy producers and manufacturers may need to reduce the number of railcars on the network, in some instances by up to forty percent, or face embargoes from the railroads;³ and
- Missed switching of railcars and reduced service days can force manufacturers to use additional railcars to maintain the same level of business, leading to increased costs for the shipper and further strain on the rail network overall.⁴

Given the impact of these rail service disruptions, STB's oversight role is more critical now than ever. As railroads work to address existing challenges through service restoration plans, we urge the STB to examine all constructive options towards ensuring reliable, consistent rail service is available to shippers across the U.S. rail network.

Sincerely,



Kevin Cramer
United States Senator



Tammy Baldwin
United States Senator



Shelly Capito
United States Senator



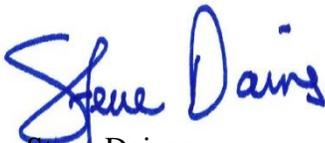
Chuck Grassley
United States Senator



Marco Rubio
United States Senator



Sherrod Brown
United States Senator



Steve Daines
United States Senator



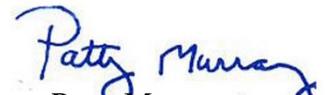
M. Michael Rounds
United States Senator

² Surface Transportation Board, Hearing on Urgent Issues in Freight Rail Service, Docket No. EP 770. (2022) (Testimony of Chris Bliley, Growth Energy).

³ Surface Transportation Board, Hearing on Urgent Issues in Freight Rail Service, Docket No. EP 770. (2022) (Testimony of Rob Benedict, American Fuel and Petrochemical Manufacturers).

⁴ Surface Transportation Board, Hearing on Urgent Issues in Freight Rail Service, Docket No. EP 770. (2022) (Testimony of Chris Jahn, American Chemistry Council).


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United States Senator


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