



Memorandum


**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General

Subject: **INFORMATION:** Audit Announcement – Service
Disruptions to Selected Rail Shippers
Project No. 08C3008C000

Date: October 15, 2008

From: David Tornquist 
Assistant Inspector General
for Rail and Maritime Program Audits and
Economic Analysis

Reply to JA-50
Attn of:

To: Federal Railroad Administrator

The Fiscal Year 2008 Department of Transportation Appropriations Act directs the Office of Inspector General (OIG) to examine railroad service disruptions since 2004, in particular, incidents in which rail carriers failed to make shipments of commodities, such as coal, wheat, ethanol, and lumber in a timely manner. The Act also directs the OIG to make legislative and regulatory recommendations to reduce such disruptions in the future.

The objectives of this audit are to determine: (1) the standard of railroad service owed to selected shippers of commodities, such as coal, wheat, ethanol and lumber, either by regulation or by contract since 2004; (2) the timeliness and reliability of rail service provided to these shippers; and (3) the causes of any identified railroad service deficiencies to the selected shippers.

We will conduct this audit at the Federal Railroad Administration Headquarters in Washington, DC and at the offices of selected railroads. We will contact your audit liaison to schedule an entrance conference. Mitchell Behm is the Program Director and Betty Krier is the Program Manager for this audit. If you have any questions or need additional information, please contact Mr. Behm at (202) 366-1995 or Ms. Krier at (202) 366-1422.

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cc: Audit Liaison, OST
Audit Liaison, FRA