

RAILROAD-SHIPPER TRANSPORTATION ADVISORY COUNCIL MEETING

August 2nd and 3rd, 2017

SURFACE TRANSPORTATION BOARD - BOARD ROOM

395 E Street, S.W. Washington, DC 20423-0001

Minutes

The Railroad Shipper Transportation Advisory Council (the "Council"), pursuant to notice, held a meeting on August 2 and 3, 2017 in Washington, DC.

The meeting was called to order at 1:00 PM, on August 2, 2017 by Chairman John McCreavy.

The following members were present: Chairman John McCreavy, SMS Rail Services, Inc.; Vice-Chairman Mr. Lawrence Malski, Pennsylvania Northeast Regional Railroad Authority; Secretary Nate Asplund, Red River Valley & Western; Michael Peters, Genesee & Wyoming Railroad Services, Inc.; Ms. Shelley Sahling-Zart, Lincoln Electric System; Mr. Tom Giovinazzi, Holcim (US), Inc.; Mr. Wayne Hurst, Agricultural Shipper; Ms. Robin Burns, Occidental Chemical Corp.; Robert Byrd, Nucor Corporation; Mr. Tom G. Williams, BNSF Railway; Ms. Jeanne Sebring, International Paper; Mr. Tim McNulty, CSX Transportation; Ms. Kelly Levis, Canadian National Railroad, Mr. Kevin Murray, Red Gold Inc.; Ms. Brandy Christian, President & CEO of the Port of New Orleans

Acting Chairman Ann D. Begeman, Surface Transportation Board; Vice Chair Daniel Elliott, Surface Transportation Board; Vice Chair Daniel Elliott Deb Miller, Surface Transportation; Michael Lestingi, Federal Railroad Administration

Also Present: STB staff members Brian O'Boyle and Katherine Bourdon

Day 1 - Wednesday, August 2, 2017

1. Meeting convened – STB Board Room
2. Opening remarks were presented by Chairperson John McCreavy
3. A Safety Briefing was conducted by Mr. Robert Byrd, Nucor Steel
4. Members, Commissioners, and STB Staff welcomed the newest RSTAC Member (At-Large) Ms. Brandy Christian, President & CEO of the Port of New Orleans
5. Nate Asplund reviewed the May, 2017 RSTAC Meeting Minutes and presented the RSTAC financial update
6. A resolution was approved by the Council accepting the minutes of the May, 2017 RSTAC meeting.
7. RSTAC Members provided the first round of field reports to the Commissioners and Staff
8. An insightful update on the current and future state of the North American Boxcar Fleet was provided by Ms. Jeanne Sebring, International Paper; Mr. Dick Kloster, Alltrantek, and Mr. Glen Courtwright, Georgia Pacific (retired)
 - Member, Commissioners, and Staff discussed options and alternatives to preserve the viability of the boxcar fleet, that is critical to the movement of the nation's merchandise traffic including forest products, pulp and paper, building supplies, and food stuffs. The need to improve boxcar velocity was noted, which will require cooperation and efforts by shippers, rail carriers and consignees.
 - A discussion of increased requirements for improved supply chain performance and visibility for the rail transportation product versus other modes was also exchanged
9. Ms. Bonnie Murphy, President of Operation Lifesaver, presented an update of Railroad's safety program along rights of way and highway – rail grade crossings

- Statistics on incidents and preventative measures by railroads, operation lifesaver, and law enforcement was presented
- Discussion on the increasing problem of trespassers and illegal citizen photography on tracks was discussed
- Operation Lifesaver educational efforts and new promotional campaign was reviewed by RSTAC member, commissioners, and staff

10. RSTAC Members provided the second round of field reports to the Commissioners and Staff

Day One meeting Adjourned approximately 5pm.

Day 2 – Thursday, August 3, 2017

1. Meeting convened – STB Board Room
2. Opening remarks were presented by Chairperson John McCreavy
3. A Safety Briefing was conducted by Mr. Robert Byrd, Nucor Steel
4. RSTAC Members provided the third round of field reports to the Commissioners and Staff
5. A PTC Update was Presented by Melody Sheahan, AAR
 - A background on PTC standards and industry committees that has been in process since 2008 was presented.
 - Committee members were presented updated Class I progress on wayside installation and locomotive provisioning of the nation's railroad
 - Ms. Sheahan updated members, Commissioners, and staff on progress on achieving interoperability between railroads
6. A Shortline Railroad Industry Update was provided by Mr. Keith Borman of the ASLRRRA
 - Mr. Borman presented an update for shortline railroads who are tenants on Class I segments being equipped with PTC
 - Mr. Borman highlighted the significant economic burden faced by shortlines due to PTC vendors requirements that could affect many carriers' viability to provide service to customers. Shortline challenges include the high vendor licensing fees, insurance requirements, locomotive hardware costs, and limited options for back-office hosting services.
 - Committee members, Commissioners, and staff discussed several issues as shortlines work with Class I partners to achieve interoperability by FRA PTC deadlines and the need for collaborative remedies
7. RSTAC Members provided the final round of field reports to the Commissioners and Staff
8. Ms. Shelly Sahling-Zart, Mr. Tom Giovinazzi, Mr. Wayne Hurst, and Mr. Larry Malski presented an update on their Senate Commerce Committee visit by RSTAC members
9. Committee members, Commissioners, and STB Staff discussed upcoming meeting schedule and location options for the balance of 2017 and early 2018.
 - It was decided to defer an additional field meeting in 2017, and instead hold the next RSTC meeting in Washington, DC on November 1 and 2, 2017
 - Options for a 2018 field meeting in the US Gulf Coast region was discussed

Day Two Meeting Adjourned at approximately 2:30 PM