



**Texas Rail Advocates**  
**Hurst, Texas**  
**April 3, 2023**

**Karen Hedlund**  
**Vice Chair**  
*Surface Transportation Board*

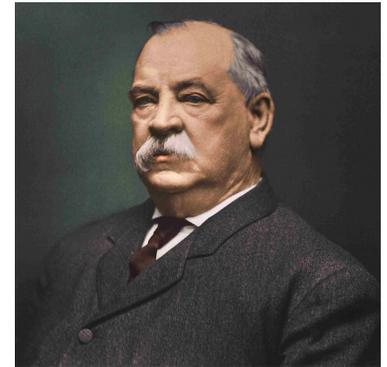


“The statements of Ms. Hedlund do not represent the opinions of the Surface Transportation Board or any of its other Members. “

INTERSTATE COMMERCE COMMISSION  
Founded 1867

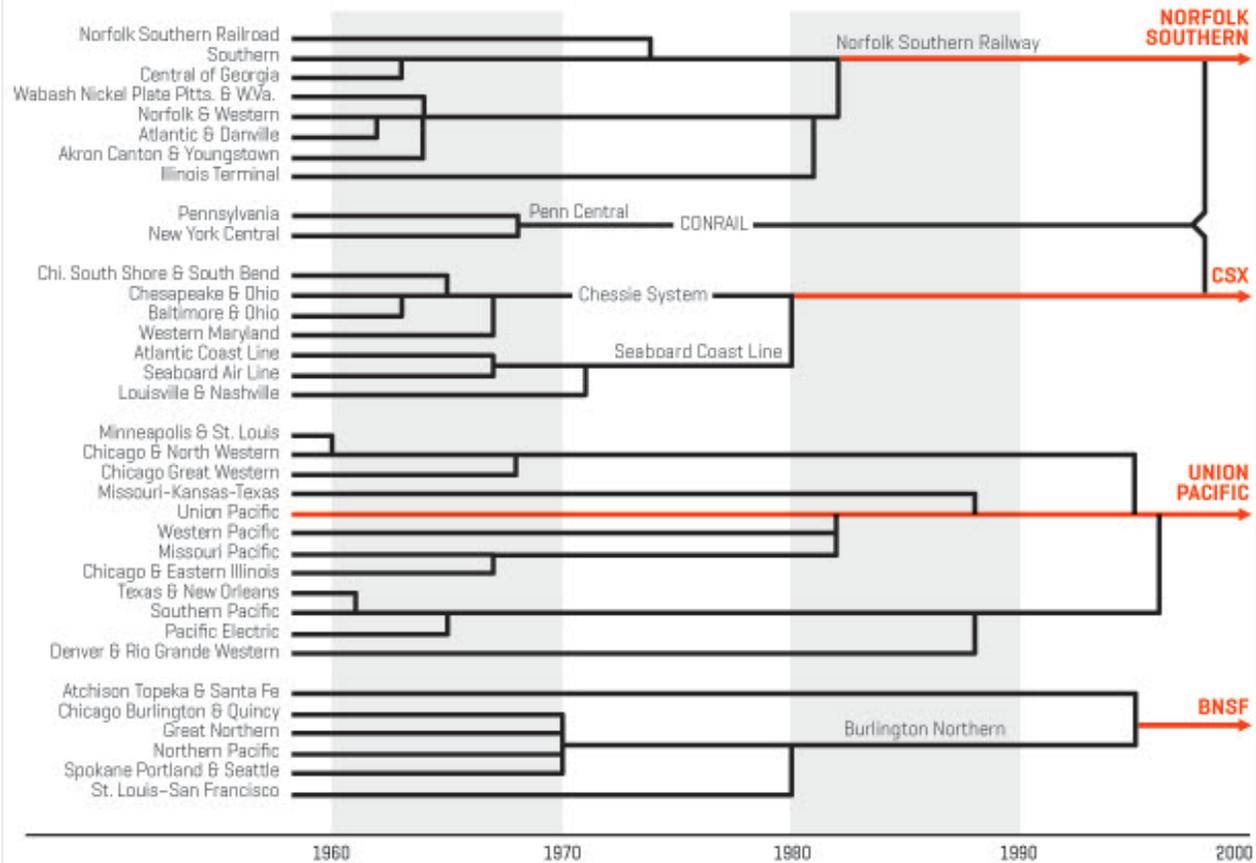


SURFACE TRANSPORTATION BOARD  
Established 1996



## MAKING THE BIG FOUR

A series of mergers over the past 50 years has led to the creation of four freight rail behemoths that now control 90% of all business. Below, some of the notable deals along the way.



SOURCES: COMPANY WEBSITES; TRAINS MAGAZINE

**NOT!**

National Safety Transportation Board  
(NTSB)



## Hearings before the STB in 2022

- Reciprocal Switching (EP 711 Sub-No.1) - March 15-16
- Amtrak Gulf Coast Access – Feb 15-16 Apr 4-6, 18-19, May 9,11
- Urgent Issues in Freight Rail (EP 770) – April 26-27
- CP/KCS Merger (FD 36500) – September 28-30
- Union Pacific Embargoes – December 13-14



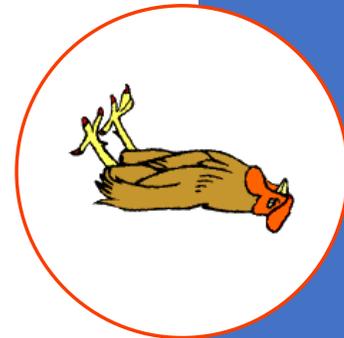
## Core of the Problem – Hiring Problems

- PSR – (pre-COVID) Class 1s reduced labor force by 30%
- COVID – Up to an additional 20% furloughed
- “The Great Resignation” – workers don’t return
- Current hiring difficulties – new hires barely keep up with attrition

Railroad	Embargoes Issued Year to Date (End of December)	Embargoes Issued Previous Year (2021 Total)	Change in Current YTD Embargoes versus Prior Month	Currently Effective Embargoes (Total)	Currently Effective by Cause	Increase/Decrease in Effective Embargoes versus Prior Month
CN	43	52	+2	17	17 – Congestion	0
CP	0	0	0	0	N/A	0
BNSF	112	16	+1	5	5 – Congestion	-2
UP	1101	662	+52	45	44 – Congestion 1 - Weather	-96
KCS	12	2	0	1	1 – Congestion	0
NS	41	34	+2	13	9 – Congestion 4 – Prevent congestion	-1
CSXT	46	16	+1	5	5 – Congestion	+1
Totals	1,355	782	+58	86	81 – Congestion 4 – Prevent congestion 1 – Weather	-98

# Rulemakings:

- Service Emergency Rule (EP 762)
  - Foster Farms Petition for Emergency Order (FD 36609)
- Reciprocal Switching (EP 711 Sub-No.1)
- Small Dispute Arbitration (EP 765)
- Final Offer Rate Review (EP 755)





CP and KCS  
Merger





# Conditions and 7-Year Monitoring Period



Gateways open on  
“commercially  
reasonable terms”

Justification of rate  
increases on  
customer request



Data collection – capacity and fluidity



Comply with 10-minute blocked crossing  
rule



Community outreach

